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The
Nation's Business

- The Road Back
- Time to Consider Tax Reductions
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- Brownlee Is Good Appointment
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Paish on Canada

The Road Back! Where Does It Lead?

THIS month's moviegoers are seeing the none-too-happy story of "The Road Back," or what happened when those who survived the Great War came to readjust themselves to civilian life.

A similar story is being written in the realm of Canadian public finance. For seven years Canada's financial front has been under heavy and continuous attack. This year for perhaps the first time we have begun to seriously face "The Road Back."

What sort of a story will it be?

On the one hand improved business has brought such a startling improvement in federal finances that a balanced budget and possibly a surplus are already being talked about for the current fiscal year. In the first five months there has been an increase of $40 millions in federal revenue, compared with last year, while out-of-pocket expenditures are lower. The sales tax alone has netted $16 millions more than in the same period last year, while income tax receipts are up $15 millions and customs and excise returns have soared $9 millions. An equally happy picture is appearing in many provinces and municipalities—notably Ontario, which showed a large surplus in its last fiscal period and has already reduced taxes as a result.

But these are only little steps along "The Road Back." The real issue is much more important.

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IT LIES in the sort of answer which the newly-appointed Rowell Commission will give to the whole question of federal-provincial finance—and to the answer which Ottawa and the individual provinces will give to that report when it appears.

It lies in the ability of Ottawa to deal firmly with an improved financial picture and to plan wise tax reductions which will benefit business across Canada. Also in the ability of all spending bodies to handle their affairs with strict economy and efficiency despite the lure of increasing revenue. It means finding a road back for scores of bankrupt municipalities and a solution for monetary heresies such as currently hold sway in Alberta.

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CANADA has not yet found the road back in its financial affairs. Governments are still spending over $1,000 millions of taxpayers' money each year. This is about 25 cents or more out of every dollar of the national income.

The real test lies ahead as to how wisely we tackle and solve the tremendous problem of bringing this country from shell-swept areas of financial chaos to the peaceful land of trade prosperity, good credit and lower taxes.

• • •

Strikes Complicate Textile Problems

THERE is no gainsaying the importance of the textile industry in the national economy and its contribution to prosperity in the shape of employment, purchase of supplies and services, and returns to investors. It must therefore be a source of widespread satisfaction that normal operations are now being resumed after strikes which shut down for weeks mills employing 30% of the workers in Canada's primary textile industry.

The strikes chiefly affected three of the largest units in the industry—Dominion Textile Co. and affiliates, with nearly 10,000 workers in various parts of Quebec; and Dominion Woollens and Worsteds Ltd. and Canadian Cottons Ltd., employing between them 2,000 in Ontario plants. Several smaller plants in Quebec have also been crippled by walkouts. While the strikes came at the industry's off-season for production, and the companies had fairly ample inventories to meet shipping requirements, suspensions of operations lasting from four to seven weeks caused some trade dislocation and loss of business.

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WITH the immediate loss to the companies and the industry mitigated by the "timing" of the strikes and by the fact that they had no wage payments to meet during the strikes, the complete loss to the striking workers in both provinces was the outstanding feature of the walkouts. They not only suffered a loss of income during the strikes, but they returned to work without having won any of the demands for which they struck—union recognition, wage increases, and fundamental changes in "working conditions."

Both in Quebec and Ontario, the strikes were settled on a basis which left minimum wages to be set by government boards. This may give some substantial benefit to the lower paid workers, but is

(Continued on page 2, col. 3)

Sino-Jap Crisis Vexes Ministry

Believe Bankers Are Standing Pat

Having made one statement which was badly misinterpreted, bankers are keeping strict silence on their reaction to new developments in Alberta. Apparently they feel that the fight is one between governments, not between the banks and a government.

Close observers feel the banks hold the view that "If there is no law, there is no law." In other words, Mr. Aberhart cannot enforce legislation which does not exist. They point out that it is impossible to foretell just what the Alberta premier has in the back of his mind, and suggest that bankers will await his next move before adopting a more definite policy.

War in Orient Hits B.C. Trade

Shipping to Chinese Ports Practically Cancelled by Blockade

From Our Own Correspondent

VANCOUVER.—War tension in the Orient continues to exert an uneasy influence in Pacific Northwest shipping, with somewhat serious effects on British Columbia's big export industries threatened.

Warning by Japan that a virtual blockade has been established against shipping to China is taken as a definite indication that freights from Canada to Chinese ports are as well as cancelled, for the time being. Last week Shanghai was ruled out as an outlet for Canadian exports, and practically all other Chinese ports are now in the same category. Business with Hong Kong, of course, continues as usual.

Concentration of Japanese shipping in the zone of hostilities has been so intense that even manufacturers depending on raw materials from British Columbia have suffered to some extent. Inasmuch as Japan has commandeered much of her merchant shipping for war purposes it is felt that it is only a matter of time before vessels are released for handling essential cargoes.

Tonnage For Minerals

Lumber trade with Japan has fallen off as a result of the Far-Eastern crisis, but it is expected that tonnage will be found for such commodies as copper concentrates for which Mitsubishi & Company have contracted with Granby Consolidated Mining & Smelting Company.

Eighteen hundred tons of copper concentrates were shipped to Japan by Granby in July, and 3,400 tons of concentrates are awaiting shipment from Port Coquitlam during the next two weeks.

B. C. Nickel Mines at Choate has a representative now in Japan negotiating for the sale of the company's entire output of nickel concentrates. If this deal is put through, the company plans to build a 250-ton mill, to be fed by a four-mile

(Continued on page 2, col. 2)

Growing Trade With Far East Creates Dilemma

DEFER ACTION

From Our Own Correspondent

OTTAWA. — Swift rush of Far-Eastern events to crisis proportions—despite absence of declaration of war by either Japan or China—has placed the Federal Government squarely on the none-too-comfortable horns of the following dilemma:

Should it pursue the course of consistency and act as it did in the Spanish situation by barring the export of supplies to the two belligerents?

or

Should it consider primarily the fact that volume of the Dominion's total Sino-Japanese trade is at an all time high of approximately $1 million per week—and increasing by leaps and bounds?

Other Complications

The problem has still other complications. For instance, Canada maintains an embassy in Tokio. With the tension which exists between the United Kingdom and Japan, some of the responsible statesmen on the Hill are forced to give uneasy thought these days to the difficult position in which the Dominion would be placed if the British ambassador should be recalled from Japan.

That, however, is a problem of diplomacy, whereas for Canada the

(Continued on page 2, col. 5)

Pacific Shipping Subsidy Arranged

Four Governments Plan to Back New Empire Service

From Our Own Correspondent

OTTAWA.—Plans to prevent the British Merchant shipping flag being crowded from the Pacific Ocean have reached the stage of requiring only the formal approval of the Canadian, Australian, New Zealand and Fiji Government.

Canadian approval may be regarded as certain. The project is now before the cabinet and is understood to be linked up either tacitly or explicitly with the new trade arrangements which are pending between Canada and the Antipodes.

Approval by the other British Governments concerned in the Pacific is understood in Ottawa to be equally certain.

The plan is to subsidize two new ships on the Pacific trade routes. A new company, The Canadian-Australasian Line, will be formed, one half of the stock being held by the Canadian Pacific Ocean Steamships, and the other half by the Union Steamship Line, a subsidiary of the P. and O. This new company will build two new ships for the Pacific service and will receive financial assistance from the four governments previously mentioned, Canada, Australia, New Zealand and Fiji.

The new ships will provide a four-weeks service to New Zealand, Australia and Fiji and will replace the Aorangi and Niagara. Under the old arrangement Canada, New Zealand and Fiji subsidized the Aorangi and the Niagara. Under the new set-up Australia will join.

Ripley Plan Has Backing of Preferred

Abitibi Bondholders' Plan Endorsed By Shareholders' Committee

ACTION NEEDED

Preferred shareholders' protective committee for Abitibi Power & Paper Co. has decided to support the reorganization plan presented by the bondholders' committee (Ripley plan) and to be voted on at the meeting on Oct. 15.

This action, according to a letter sent to holders of both 7% and 6% preferred, was taken after a number of plans had been carefully considered.

The committee explains in part in its letter as follows:

"Optimistic forecasts have been published with regard to Abitibi's possible future earnings. These forecasts appear to be based on the assumptions that the price of newsprint will rise rapidly above the price fixed for the first half of 1938, that the price of sulphite pulp will not decline materially below the present level and that the increase in gross revenue will not be accompanied by an equivalent rise in wages and other costs. Whatever be the possibility of these forecasts being realized, the committee, in view of the experience of the newsprint industry in the past, is of the opinion that a reorganization based on the assumption that the net earnings so contemplated will be maintained over a sustained period would not be sound. The committee considers it preferable to support a plan which, while putting the preferred stockholders in a position to benefit from improved future earnings, protects them against possible lean years and avoids creation of fixed obligations which might become onerous and even dangerous if earnings did not come up to those so forecast."

Mortgage Bonds

The committee endorses the use of first mortgage bonds as the cheapest means of raising the money. The use of serial bonds is opposed on the grounds that the small saving in interest charges would be more than offset by the heavy annual serial payments starting in the first year of the new company's operations.

Although completion of this plan will leave securities senior to the common stock totalling $72 millions, $34 millions of these may be retired from the proceeds of the subscription warrants.

Although the reorganization plan provides that at first the majority of directors are to be elected by bondholders, stockholders will elect seven out of the 15 directors. After the outstanding income debentures have been reduced to $3 millions or less, all directors are to be elected by shareholders.

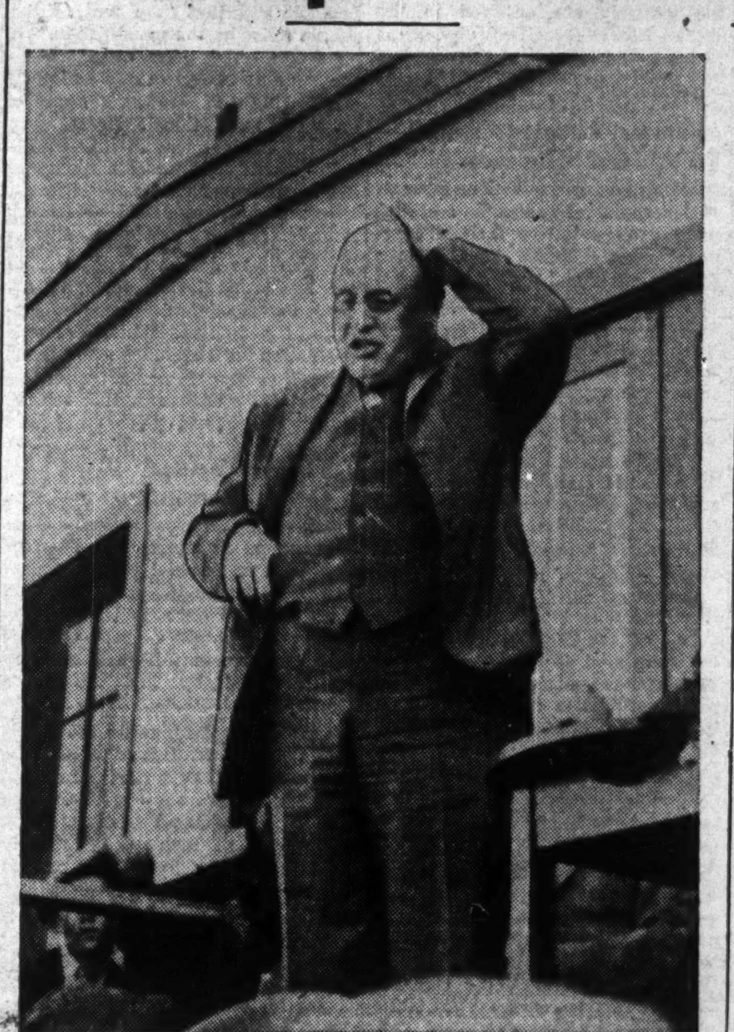
The committee dismisses the suggestion that no reorganization is actually needed and points out:

"Accrued interest on the first mortgage bonds to July 1, 1937, amounts to more than $15 millions. Dividends accrued and unpaid on the two classes of preferred stock are now more than $13 millions. It is obvious that these arrears cannot be paid out of earnings and if cash were obtained by the sale of securities to pay the bond interest, such securities would almost undoubtedly have to rank ahead of the preferred stock."

Other reasons advanced in favor

(Continued on page 2, col. 4)

Ousting of Mounties Seen Step in Alberta Defiance



Premier William Aberhart: "We are compelled to carry on in face of all opposition."

Hugill Reported Ready To Denounce Aberhart

Alberta Attorney-General Plans Campaign Against Premier

From Our Own Correspondent

EDMONTON.—Alberta awaits with interest the return to the provincial capital of Hon. John W. Hugill, K.C., attorney-general, who was fired by Premier Aberhart. Mr. Hugill continues to occupy the post of attorney-general until Sept. 15 and in his capacity has represented the province at the Canadian Bar Association meeting in Toronto.

Friends of Mr. Hugill locally state that immediately upon vacating office he will launch a vigorous offensive against Premier Aberhart. He will charge the premier with having destroyed public confidence in the finances of Alberta, and with having administered the affairs of the province so badly that it lags far behind every other part of the world in the movement toward recovery.

May Enlist Others

It is said that Hon. Charles Cockroft, who resigned from the post of provincial treasurer, and Hon. C. C.

(Continued on page 2, col. 5)

Two Years

Aug., 1935—Social Credit Government elected pledged to provide: (1) basic dividend of $25 a month; (2) automatic price control; (3) a continuous flow of credit.

Aug. — Aberhart denies his plan involved debt repudiation, insists it will not injure capital; declares other provinces must adopt it or go bankrupt.

Jan., 1936—First of Alberta retail codes become effective designed to pave the way for a "just price," one of the principles of Social Credit.

April. — Alberta first Canadian province to default on bond obligations.

May—Correspondence released officially confirms wide open split between Aberhart and Major Douglas, founder of Social Credit.

Aug. — Roadworkers paid with first issue of scrip. Business men fight issue.

Aug.—Registration of citizens as prelude of Social Credit dividends starts. Dividend deadline now Nov. 3 but payments may be cut below $25 because of the drought. Interest free loans promised manufacturers who sign covenant.

Sept. — Special session passes radical act to reduce private debts; arranges to establish credit house. Scrip venture admitted failure.

Oct.—People's League, non-partisan organization, formed to combat Social Credit.

Feb., 1937—Political crisis seen as provincial treasurer resigns and radicals within Social Credit group demand action.

March — Eighteen months test period ends without Social Credit, Aberhart asks his own party to decide by June whether or not he is to continue in office.

March—Revolt of back benchers holds up budget until committee named to devise ways of bringing Social Credit into force.

June—Split with Major Douglas patched up and Douglas representatives reach Alberta.

Aug. — Legislation to control banks in Alberta passed at special session.

Later disallowed by Ottawa.

Aberhart announces he will enforce act despite disallowance.

Empire Trade Shows Gain of 18.4 Per Cent

From Our Own Correspondent

OTTAWA. — Plus signs overwhelmingly outnumber minus signs in the record of Canadian trade with the Empire for the year ended on June 30 last, the figures for which, just published by the Department of Trade and Commerce, indicate an over-all increase of 18.4%. The comparative totals are $723,885,000 for the year now ended, as against $611,397,000 for the previous 12 months.

Imports from the United Kingdom increased by 12.8% to $135,672,000, while exports mounted 19.6% to $417,254,000. Increases were shown in exports to all other Empire countries with the exception of Ceylon, while in imports increases were shown in all cases except British South Africa, the Irish Free State, Newfoundland, and some of the colonies in the Caribbean.

Social Credit Leaders Whipping Public Opinion by Unceasing Agitation Gag for Press

From Our Own Correspondent

EDMONTON. — The Aberhart Government was expected to proceed shortly in an attempt to enforce its bank control legislation, when Premier Aberhart revealed, in a letter to Prime Minister King, that he challenged Ottawa's power of veto and intended to go ahead in spite of it.

No hint of the methods to be followed in enforcement was forthcoming immediately, but the attempt was linked with reports that Alberta would shortly establish a police force of its own, cancelling its contract with the R.C.M.P.

Tax on Banks

Other matters reported ready for the agenda of the forthcoming special session of legislature were:

Amending bills for the Bank Control Act, setting up the alternative of heavy taxation on banks, in view of the probable refusal of banks to accept provincial direction.

A measure to license newspapers.

An increase in the legal minimum wage scales.

Cancellation of R.C.M.P. contract requires a year's notice, and Alberta is expected to ask R.C.M.P. headquarters to leave enforcement of provincial statutes to the proposed provincial force. The power to create such a force is well within provincial authority, but in view of the unprecedented situation created by defiance of Ottawa, the extent to which bank control could be enforced was a matter of doubt.

The tenor of the letter to Mr. King left no doubt such an effort would be made, and the arrest and attempt to penalize a bank employee for operating without a license was foreseen. Silence was the sole answer to questions to the Social Credit Board, bank licensing authority under the vetoed act, for an indication of the next step.

The Aberhart letter to Ottawa revealed strong indications that its arguments were provided by C. H. Douglas, long-range adviser.

A reliable source indicated that a scheme dealing with bond interest has been drawn up, and would be revealed shortly. This plan, details of which were secret, was also attributed to Douglas.

Meanwhile, unceasing agitation by Social Credit leaders continues in Alberta, designed to rouse public support.

King Stands Firm

From Our Own Correspondent

OTTAWA. — Premier Aberhart's defiance of disallowance of Alberta bank legislation will have no effect on the Dominion Government's stand. Premier King will not back down in his reply to Mr. Aberhart's letter. If the Alberta Government declines to publish in the official gazette the proclamation that the acts have been vetoed, Ottawa will do so in the Canada Gazette under the signature of Alberta Lieutenant-Governor Bowen. The next move is clearly Mr. Aberhart's.

Paymaster Output Up

Higher Depreciation Reserves Reduce Net Profit

Increased provision for depreciation reduced the net profit of Paymaster Consolidated Mines for the fiscal year ended June 30, 1937, annual report shows, but gross production was more than 50% higher than for the preceding year.

In addition, ore reserves have been increased from 289,899 tons at the end of the 1936 period, to 413,533 tons at the end of June, 1937, an increase of nearly 43%. Average grade of ore reserve, which includes ore blocked out, probable ore, and ore broken in the stopes is, according to the estimate of Charles E. Cook, general manager, .248 ounces per ton, as against an estimated grade of .227 ounces per ton last year.

Average milling rate has also been increased, now showing around 478 tons per day.

According to the balance sheet at June 30, 1937, current assets, comprising cash of $148,015, Government and municipal bonds at cost $215,944 and other items, totalled $453,770, against liabilities of $74,346, leaving working capital of $379,424. At the end of the previous year, working capital was $266,946.

It has been decided to deepen No. 5 shaft from 1,050-foot level to 2,575-foot level, to provide single stage hoisting for the new ore developed to the 1,575-foot level, and

(Continued on page 2, col. 6)

Antipodean Trade Pacts In Jeopardy

Australia and New Zealand Demand More Export to Canada

EXPIRY IMMINENT

By GORDON L. SMITH
Staff Writer, The Financial Post

OTTAWA.—Canadian trade authorities are considerably worried regarding the continuance of this country's $40 millions annual export to Australia and New Zealand. Empire trade treaties with both countries are due to expire within the next few months and so far little progress has been made in negotiating renewals. The bulk of this export is in lumber, newsprint, canned salmon and automobiles and therefore the trade is of special importance to British Columbia and Ontario.

Original treaties came into force with the Ottawa agreements of 1932 and recently have been prolonged on a month-to-month basis. But negotiations aimed at more or less permanent renewals have struck many snags and Ottawa officials are none too hopeful regarding the final outcome. It is considered possible that both of the two sister Dominions may take much of their valuable trade elsewhere, with the United States conceded the best chance of getting the business.

Countries Competitive

Trouble, of course, is largely due to the fact that the three countries concerned are too largely in the same business of producing agricultural products to be able to develop mutually satisfactory trade. Therein lies the fundamental difficulty. It is aggravated sharply by the fact that Canada enjoys a favorable balance of trade well over two to one. Canada has lumber and newsprint which both New Zealand and Australia lack and she also has salmon and automobiles. On the other hand, the principal exports of the two southern sisters are wool, lamb and fruits, and there is a very limited outlet for such products in Canada. The current picture is as follows:

CANADIAN TRADE
(000's omitted)
(Year ended June, 1937)

	Australia $	New Zealand $
Exports to	27,828	12,722
Imports from	10,888	7,308
Leading Exports‡—		
Canned fish	1,983	333
Lumber	3,101	144
Newsprint	3,950	1,281
Automobiles	7,558	2,951
Auto parts	1,058	155
Rubber goods	......	1,196
Leading Imports‡—		
Wool	549	1,574
Worsted tops	1,231	......
Raisins	2,563	......
Currants	515	......
Canned fruits	294	......
Sugar	895	......
Hides	......	369
Sausage casings	......	959

‡Fiscal year 1936.

Trade One-sided

Trade officials at Ottawa have been racking their brains in an effort to think of something else that could be bought from the antipodes. There is already a free market for wool. Australian dried raisins and canned fruits practically dominate the Canadian market, favorable trade concessions having largely driven out the United States product in the last five years.

Butter, the principal export of New Zealand, is a delicate matter, so, also, are dressed lamb and mut-

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Highlights

Lord Atholstan

Canada's Peer of the Press at 89 is still in active charge of the Montreal Star. Page 12

Social Credit Explained

Basic principle of Social Credit, that there is a permanent shortage of purchasing power, is refuted by the Australian Royal Commission. Page 11

Briefs for Commission

Action taken or contemplated by the provinces toward presenting their arguments before the coming Federal enquiry are reviewed. Page 5

Textiles in Canada

Investors in Canadian textile companies and others interested in this major industry will find its problems analyzed and the companies reviewed on pages 13 to 19.

Peruvian Bonds

An improving economic picture suggests that the partial settlement announced by Peru might be increased. Page 3

Health and Safety

Canadian employers recognize the importance of protecting their workers and many plans are operating. Page 8

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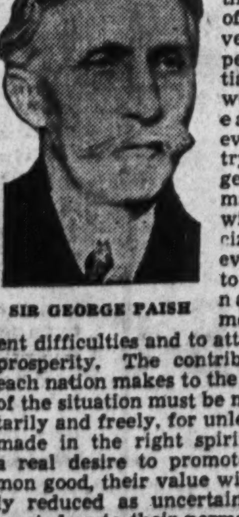
World Challenge to Canada

"If anything, eastern Canada should pay a bonus to those who live in western Canada," writes Sir George Paish, eminent British economist, in attacking the Canadian tariff policy. "For the eastern manufacturers to make it more difficult for the farmers of western Canada to earn a reasonable competence ... is clearly both foolish and unjust."

Paish Sees Immigration Policy as Dominion's Contribution to Recovery

By SIR GEORGE PAISH



SIR GEORGE PAISH

In my forthcoming book "The Way Out" an effort is made to suggest to each nation the reasonable contributions which each can make to the solution of the present difficulties and to the creation of that universal prosperity essential to the wellbeing of each and every country. The suggestions are made with no wish to criticize but with every desire to assist each nation to meet its present difficulties and to attain to great prosperity. The contributions that each nation makes to the adjustment of the situation must be made voluntarily and freely, for unless they are made in the right spirit and with a real desire to promote the common good, their value will be greatly reduced as uncertainty will be created as to their permanence. Delusions creating the fear-complex cannot be dispelled by any process of make believe, they must be completely dispelled by a return to sanity and confidence based upon conviction arising from right thinking and right action. Good faith between nation and nation and between class and class is essential to complete recovery. It is idle for statesmen and peoples to profess good faith and good intentions unless their words are accompanied by corroborating deeds. Statesmen and nations must be judged not by their words but by what they do.

If the nations are now prepared to act in the manner that they themselves desire other nations to act, the difficulties can be overcome and the road upon which the nations are now travelling so swiftly to self-destruction will be exchanged for the road that leads to ever-increasing security. Instead of madness and suicide, the nations will return to sanity and life, life more abundant and richer than it has ever been possible for them to enjoy. Will mankind attain to the high estate to which it was clearly destined as its power increased to reason, to invent and to aspire, or will it again become barbarian, rejoicing in slaughter and in destruction and thus bring a great civilization in ruins to the ground?

What might Canada's contribution be at this time?

Canada's Contribution

In the past century the development of the virgin lands of the United States greatly contributed to world progress and prosperity by offering unlimited opportunities for the expenditure of capital in railway construction, in town building and in farm creation. At the same time a vast territory was opened up to immigration and many millions of people were attracted from Europe. These lands are now occupied and although the task of rendering them more productive has yet to be undertaken and may necessitate a fresh influx of immigrants, the opportunities of employment for foreign people in the United States are now greatly restricted.

Canada is, however, still in her infancy in the matter of development having a population of only 11 millions in an area of nearly 3½ millions of square miles. It is true that eastern Canada has been in process of development for several centuries, and contains a population of about eight millions in an area of less than a million square miles, but western Canada has been actively developed only since the eighties of last century and contains a population of no more than three millions in an area of 2½ millions of square miles.

That the country has developed so slowly hitherto has been due to the United States, with its warmer climate, having offered so many opportunities to immigrants of every kind that comparatively few were attracted to Canada, and to the fact that railway transportation was not available over a large part of the country until immediately before the war. This latter deficiency was, however, made good in the decade ending in 1914, when the railway mileage was doubled by the construction of two additional transcontinental lines, thus giving the country three transcontinental railroads. In consequence of these new railways, a vast new area has been opened up to settlement and agricultural production has already been greatly increased.

Maintain Recovery

In recent years development has been severely retarded by the trade depression, and by the low prices of foodstuffs which reduced the farmers to real poverty. It is very much to the good that the situation in Canada during the recent crisis in agriculture was handled with discretion and that the past season of higher prices for foodstuffs has brought great improvement. A continuance of the recovery is essential if the farmers are to be able not only to maintain themselves, but to meet their obligations.

In view of the immense capital expenditures upon railways and the heavy obligations these outlays have imposed upon the country, it is of great moment to Canada that every possible step should be taken to maintain the recovery of the past year and to cause western Canada to become more rapidly populated and developed.

Another reason for the slow development of western Canada is the policy of high protection, which, until recently, has been so strenuously pursued and demanded by the manufacturing interests of eastern Canada. In any circumstances farming in western Canada, with its short summers and long winters, demands that its farmers with their wives should have qualities of endurance

(Continued on page 24)

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Aquatite "Beyne" model (right) with fly front, at 35.00

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Antipodean Trade Pact Is Believed Menaced by Australian Demands

(Continued from page 1)

ton. Defeat of the King Government back in 1930 was attributed in no small degree to imports of New Zealand butter and it is considered doubtful whether the present King Government would invite trouble a second time.

Undoubtedly there was some possibility of the removal of the dump duty on New Zealand butter when drought again struck western Canada this summer. With normal butter production only barely covering actual consumption, any sharp curtailment in the surplus producing West would soon have put Canada on an import basis and there would be no opposition to removal of the dump duty. But western dairy cattle apparently turned to Russian Thistle and production was maintained. Now, with fairly abundant moisture, it is actually increasing.

Want to Sell More

New Zealanders, whose trade treaty expires almost immediately, are insistent that Canada buy more. Australia, with a federal election pending, has been saying less but is known to be just as insistent. With a possible win for Labor in the latter country, the picture is expected to become more rather than less complicated because Labor is desirous of developing home industry and does not look with any particular favor on Australia's annual purchase of $8.6 millions of automobiles and parts. Already a former profitable trade in farm implements with that country has largely been absorbed by new Australian factories.

Might Switch to U. S.

What most concerns Ottawa, of course, is the possibility of these two big customers switching their trade elsewhere. United States, for instance, could supply most of the commodities at present exported from Canada. Before the Australian treaty, as a matter of fact, 80% of Australian lumber imports came from the northwestern States and 20% from British Columbia. Now the proportions are reversed. Automobiles and fish could also be supplied from the United States. This would leave only newsprint.

War in Orient Hits Pacific Export Trade of British Columbia

(Continued from page 1)

overhead tramway, and ship the concentrates to refineries in Japan.

Shipments of paper and pulp to Japan have so far not been dislocated by hostilities, but at least one company has suffered by inability to ship to China.

Chinese Imports Hit

With Chinese ports bottled up by the Japanese blockade and China's industries disrupted by war conditions, Canadian importers of Chinese goods are beginning to wonder what the effect of prolonged hostilities may be on the availability and price of their imports from that sphere.

Canada bought more than $4 millions worth of goods from China last year and practically all this business passed through Vancouver. Movement of cargoes both to and from China has been virtually halted during past week. Canada may be able to turn to some other markets for merchandise normally purchased in China, but there are some products obtainable on a satisfactory basis only in China and with the supply of these suddenly cut off prices seem certain to rise.

Canada bought $1,465,000 worth of nuts from China last year and these included many varieties unobtainable elsewhere. It is doubtful whether this country will be able quickly to find a new source of supply of peanut oil, bought in China last year to the value of $1,250,000.

Imports of pig's bristles totalled $88,000 last year. They form the bulk of the raw material used in manufacturing paint and other brushes. Other items bought in China by Canadians were: Tea, $50,000; bone and ivory products, $18,000; furs, $72,000; cotton goods, $198,000; silk goods, $74,000; wool carpets, $50,000; brass goods, $26,000.

Although the Oriental situation has put a stoppage on lumber exports to China and Japan and a cessation of new orders, the British Columbia lumber industry will ultimately profit by reconstruction orders.

Refreshing as a Sea Breeze

British Consols
COSTLIER .. MILDER .. TOBACCOS
PLAIN ENDS . . . CORK, IVORY and "CELLO" TIPS

The Nation's Business

(Continued from page 1)

not likely to be of much help if any to the skilled and semi-skilled workers who sought to raise their pay scales by the strikes.

The setting of minimum wages should, in the short run, be a stabilizing factor in the production problems and public relations of the industry, and may tend to adjust the disparity between wage levels in Quebec and Ontario mills which operators in the latter province have found vexatious. In the long run, minimum wages may meet opposition from farmers and other unsheltered groups.

Undoubtedly the situation will, so far as the industry is concerned, intensify the problem of rising costs which, even more than the effect of falling tariffs on price structures and competitive conditions, is the chief concern of the industry today.

The bearing of these and related problems on the current outlook for the industry are outlined in the special textile securities supplement which is the feature of this issue of The Financial Post.

* * *

Aberhart Creates Crisis To "Force" Election

THE manner in which Premier Aberhart of Alberta and his small group of fiery monetary reformers have defied the Dominion and the other eight provincial partners in Confederation suggests that a constitutional and financial crisis is being deliberately created by the Social Credit Government as an excuse for a quick election in which orderly processes of thought would have no chance.

The Financial Post does not believe that Mr. Aberhart has had any genuine confidence or faith in Social Credit for the last year or more. His earlier sincerity is not to be questioned.

If that assumption is correct then there are only two possible explanations for the Government's present determination to smash the structure of law and justice within the province, to filch the savings of the Canadian people and to destroy Confederation before admitting it has set itself an unattainable economic objective.

* * *

ONE explanation of Mr. Aberhart's conduct might be that he and his associates are more concerned with the power and the incomes that go with their jobs than they are with bringing Alberta into line with the rest of the world in the recovery advance that is taking place.

The other possible explanation is that Mr. Aberhart has become the tool of a small group of destructive radicals who appreciate the remarkable possibilities for social and economic sabotage that are presented by the collapse of the Social Credit effort.

Whichever explanation is correct, the rest of Canada and the more sensible citizens of Alberta have a right to use every measure in their power to preserve Canadian nationhood from the destructive attacks of a gang of constitutional firebugs.

* * *

THERE may have been, at one time, some reason to approach the Alberta situation gingerly. The argument has been put forward, for instance, that Alberta is entitled to experiment if its citizens want to experiment. That argument held good only up to the point where Alberta's experiments took the form of attacks upon the property and freedom of citizens outside the province.

It is argued too that Aberhart must not be challenged lest the challenge precipitate an election that will return him to power with a renewed mandate. We cannot permit Canada to be broken into fragments to avoid running such a risk.

The further argument has been put forward that Social Credit in Alberta is but the symptom of underlying distress and discontent in the prairie west whose sources ought to be thoroughly probed so that remedies might be prescribed. For this argument The Financial Post has in the past displayed much sympathy. But no such examination of western difficulties can be attempted while the Alberta problem remains not so much an economic case as a mental case.

* * *

IT SEEMS likely that Mr. Aberhart is indeed provoking and intensifying the crisis in Alberta for purely political purposes. He wants the election to be "forced" on him before enlightenment sweeps over the province.

If, in defying Mr. Aberhart, the Dominion Government, the thrift institutions and the vast majority of the press of Alberta itself, are helping to fashion an election issue for the Social Credit prophet and the radical crew who command his moves, that is unfortunate. But there is no alternative if Canadianism is to be preserved.

* * *

Aberhart and the Constitution

IT IS the obvious intention of the Alberta Government to defy the constitution and repeat its attempt to interfere with the operations of the banks. In such an event, protection of the interests of the whole country will again be the only course open to the Federal Government, even though it may be blamed for the failure of Social Credit in Alberta. Any stigma that might be attached to such a charge will be outweighed by the service to the country as a whole.

If a federal system of government is to function in this country, it is of vital importance that the Dominion Government should not invade the rights of the provinces, but it is of equal importance that the provinces should not interfere in the preserves of the Federal Government. Provided that the legislative powers of the province are not exceeded, the people of Canada are quite willing to let the Social Credit experiment in Alberta proceed. They are not, however, willing to share the risks and losses of the experiment.

* * *

MR. ABERHART claims that the mandate which his Government has from the people of Alberta makes it imperative that he proceed and that "the will of the people must be the constitution." If he would read press comment on the Federal Government's action in disallowing the Alberta legislation he would find that Premier King and his Cabinet was merely fulfilling the will of the vast majority of the Canadian people.

The charge that the Dominion Government usurped the rights of the courts to decide the validity of the legislation is absurd. The Alberta Government is solely responsible for non-submission of the legislation to the courts since it refused to co-operate with the Dominion Government in this regard.

* * *

Aberhart Makes a Good Appointment

THE action of the Alberta Government in selecting ex-Premier Brownlee as its chief counsel to appear before the Royal Commission on Public Finance is to be commended. It shows a broad-mindedness that has not been previously demonstrated by Mr. Aberhart's Government.

In the preparation of the province's brief, Mr. Brownlee will be assisted by two young American students of public finance who have had a comprehensive training in their subject; men who probably hold no high opinion of Social Credit.

It may be that before the brief is ready the Government will repent its sanity and decide to make the Rowell Commission a sounding board for monetary lunacies, but at least that does not seem to be the Government's present intention.

* * *

MR. BROWNLEE was far from being a strong premier. He governed the province under great difficulties, being forced to move just far enough ahead of orthodox policies to avoid being swept away by a tide of radicalism. Eventually circumstances quite unrelated to the politics of the province so weakened his position that he no longer commanded enough public confidence to hold the Aberhartians in check.

As premier, he learned much both of practical politics and practical administration. A government that is singularly devoid of either legal or financial knowledge does well to call upon him, even though he has been that government's political foe.

* * *

Hudson's Bay Line Still a Heavy Loser

EACH season of actual operations justifies the criticisms that have been voiced of the extravagant construction of the Hudson's Bay Railway and port facilities at Churchill. Shipping through since the completion of new route has not even increased from its original small proportions.

As predicted long before the Federal Government embarked on this vast expenditure there is no chance of a return on the investment unless by a stroke of luck some source of natural wealth, at present unsuspected, is discovered adjacent to the right of way. Building railways on such a slim hope, however, is the most reckless sort of government gambling and one a young country like Canada can ill afford.

Ripley Plan Backed by Preferred Group

(Continued from page 1)

of an immediate reorganization are summarized as follows:

(a) The company requires new money immediately in order to enable it to put its plants in shape to take advantage of increasing business.

(b) It is most important that the company put itself in a position to secure the benefits of the contract which has been made with the Ontario Government and which requires reorganization within 12 months from its date.

(c) The claim of the first mortgage bondholders is increasing at a greater rate than the claim of the preferred stockholders, the differential at the present time being about $1 million per year.

(d) Preferred stockholders should be given an opportunity to get dividends on their holdings as soon as possible.

The committee reserves the right to withdraw its support if a more favorable plan is presented and makes it plain that its support is only tendered while the suggested distribution of the new share capital is being carried out.

Atlantic Flight Seen as Sound

British Trade Bulletin Says Tests Proved Feasibility

Confidence that the current test flights for the projected North Atlantic air service will produce establishment of safe, efficient, and commercially profitable operations over the route, is expressed in the latest monthly bulletin of the British department of overseas trade.

Terming the North Atlantic "potentially the most lucrative and certainly the most hazardous air route in the world," the bulletin declares the survey flights to date have demonstrated the ability of the long range flying boats to operate on definite schedules at precalculated speeds, and to maintain a constant exchange of weather and operating information with shore stations. Most important, the experimental trips have indicated that fuel loads ensuring an adequate margin of safety can be carried without reducing the pay load below the limits of commercial soundness.

The bulletin adds:

"Inherent in the design of the British flying boat participants in the recent flights is capacity to accomplish at high speed, and to predetermined schedule, flights of a length and kind which formerly were attempted only by heavily overloaded aircraft engaged on freak record-breaking attempts.

"Most impressive feature of the (test) flights is undoubtedly their certainty and freedom from trouble. The weather forecasts proved accurate, radio communications worked perfectly, and the course followed over the ocean, though steered for most of the way above a continuous thick cloud, never deviated by more than a fraction of a degree from the ideal line. The automatic pilot, checked by a human pilot at intervals of 20 minutes, steered the craft with superhuman accuracy nearly all of the day."

Hugill Is Reported Ready to Denounce Premier of Alberta

(Continued from page 1)

Ross, former minister of mines, together with Hon. C. C. Chant, ousted minister of municipal affairs, may join Mr. Hugill in the attack upon the Social Credit prophet-premier.

If sufficient Social Credit members among those who have lost confidence in Mr. Aberhart, can be induced to desert their evangelical leader and join the Hugill-Cockroft forces, an effort may be made to force the resignation of the premier. This would bring a move to establish a new government which would seek to restore order out of the present political and financial chaos before appealing to the country.

Ready to Tell All

Local opinion is that Messrs. Hugill and Cockroft can greatly damage Mr. Aberhart's prestige simply by telling an unvarnished account of their experiences in his Cabinet. Less confidence is felt that Mr. Aberhart can be forced to resign without calling for an election and a renewed mandate from the people to pursue his Social Credit "experiments."

Mr. Hugill was the last of the "moderates" in the Aberhart Cabinet His resignation was demanded by the premier because, as local information has it, he rendered to the Lieutenant-Governor of the province, in the presence of the premier, the verbal opinion that the recent bank legislation exceeded the constitutional powers of the province.

Sino-Japanese Crisis Worrying Dominion Trade Brings Dilemma

(Continued from page 1)

Far-Eastern situation as it exists at the moment is largely one of economic concern. One million dollars per week, or approximately $50 millions, represents a substantial volume of trade for a country of only slightly over 10 millions population. Exports by Canada make up three-quarters of this total trade. And that is the financial stake which the Dominion has in the Far-Eastern situation at the present moment.

There is a definite prospect that the rate of increase of this commerce in the immediate future will be still greater. Rightly or wrongly, the Japanese appear to have derived the impression that the United States is not wholly sympathetic to their ambitions. Whether this feeling is a trade factor is impossible to say, but the fact remains that an increasing tendency to fill their wants in Canada is being indicated. The outstanding example of the past year is the manner in which the Nipponese have turned from the United States to Canada to fill their timber requirements.

Highest Commercial Importance

The whole situation is one of highest commercial importance, very different from the Spanish problem, where the trade involved was only of minor proportions. Furthermore, the Government's Spanish embargo specified only actual engines of war, explosives and gases and did not extend to foodstuffs and raw materials. Consequently, the action taken was not one of serious commercial consequence.

Unquestionably a major difficulty which would confront the Ministry, if it desired to follow a course consistent with its action in the Spanish affair, would be the political criticism which it has incurred because of the limited nature of the Spanish embargo. The pacifist element in Parliament, notably the C.C.F. group, is known to be ready to attack the Government on the grounds that its Spanish action was the hollowest form of insincerity, since it failed to include in the embargo foodstuffs and other supplies necessary to the contending armies.

If the Ministry were to proclaim a similar embargo against the Far East, it would be provoking a bitter attack upon itself when the Commons meets.

Inaction Likely

All things considered, it is a safe presumption that no action will be taken. Certainly none will be taken so long as a formal state of war does not exist between Japan and China. If war should be declared and the Spanish action be urged as a precedent, it is important to bear in mind that the Spanish trouble was in progress for almost a full year before the Government took any action.

The official trade records would not support the estimate of $50 millions annually as the total of Canada's combined Sino-Japanese trade. According to the Federal Bureau of Statistics, Canada is buying $5.5 millions worth of goods annually from Japan and selling her a total of $23.5 millions worth. From China she is buying approximately $5 millions worth, while she sells her a slightly larger amount. The total trade officially, therefore, is in the neighborhood of $39 millions.

Indirect Trade

This figure fails to include, however, Japanese and Chinese trade with Canada through the United States, after having been shipped to Seattle or San Francisco. It is estimated that almost as much Japanese and Chinese merchandise reaches the Dominion via this route as comes direct. Furthermore, the Bureau of Statistics totals do not cover re-export of Canadian goods to Japan from the United States. A substantial quantity of nickel, aluminum, and metal exports reach Sino-Japanese destinations thus indirectly.

Consequently, indirect as well as direct trade included, the figure of $50 millions is one which, if it errs at all, probably errs on the side of understatement.

The Japanese trade is, of course, the commerce which counts most. Furthermore, it is showing a far greater tendency to increase than is that of China which, in the past year, was hardly better than static. The following significant figures for the month of July just ended indicate the manner in which sales to Japan are increasing by leaps and bounds—particularly in those commodities which are useful for war purposes.

Exports—Canada to Japan
(In 000's of $)

	July	
	1937	1936
Scrap iron	$146	$ 50
Copper	115	nil
Lead	463	115
Nickel	221	50
Zinc	216	110

Following is a break-down of exports to Japan for the three-month period from January to March last. The valuations are given in Japanese yen on which the quoted unit value in the period covered was approximately 28½ cents:

Exports to Japan
(In 000's of yen)

	Jan.-March		% of inc. or dec.
	1937	1936	
Lead	4,351	2,186	99
Lumber	3,316	467	608
Wheat	1,758	2,668	34*
Pulp, paper, rayon	1,414	819	72
Aluminum	1,042	4,688	77*
Zinc	970	421	130
Printing paper	892	2,313	61*
Iron	486	9	5,217
Machinery	75	12	505
Beef (fresh)	55	.5	9,767

*Decrease.

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Paymaster Output Shows Gain in Year

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also to make available for exploration, an additional 1,000 feet of the known vein systems.

Income and Surplus Account

	1937	1936
	$	$
Bullion prod.	1,139,113	782,534
Add: Other income	19,626	9,258
Total income	1,158,739	791,792
Less develop. exp.:		
Diamond drilling	50,788	23,414
Drifting & crosscut.	234,574	109,302
Sinking stations & sumps	29,950	24,536
Less mine expenses:		
Mining	416,778	257,474
Sorting & skipping	......	5,398
Ore transportation	29,038	21,737
Less milling expenses:		
Crush. & conveying	27,967	25,570
Concent. & extract.	110,204	97,141
Less general charges:		
Taxes & insurance	14,827	11,622
Repairs to roads & bldgs.	11,783	8,978
Bullion mktg. chgs.	15,132	9,866
Clearing surface	620	949
Sundry explor.	1,985	429
Gen. camp expen.	2,931	3,218
Mine mgmt. expen.	5,862	5,157
Mine off. sal., etc.	11,810	9,000
Misc. gen. expen.	4,022	2,968
Corp. transfer expen.	1,499	359
Directors' fees	90	210
Off. gen. trav. printing, etc.	9,588	7,926
Profit for year	179,291	166,539
Less: Depreciation	139,432	30,524
Net profit	39,859	136,015
Less: Previous deficit	72,741	43,420
Cost of mining ore in excess of tonnage milled	41,854	144,336
Paid to pres. & vice-pres.	.....	21,000
Deficit forward	74,736	72,741
Earnings per share:		
Common	$0.004	$0.016

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Dominion—	Date Sold	Sold to	Rate	Due	Amount	Price	Yield
Canada Treasury Bills	Aug...	....	. .	Dec. 1, '37	$25,000,000	99.843	.628%

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Stock Issues—	Date Issued	Offered by	Rate	Class	Amount	Price	Yield
B. Greening Wire	Aug...	Lampard, Marston & Co., Cochran, Murray & Co.	...	Com.	60,000 shs.	$12	.....
Stedman Bros.	Aug...	Harrison & Co.	6%	Pref.	6,000 shs.	$50	6%

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Death In Alberta Staves Off Crisis

Succession Duty Windfall Permits Sales Tax Voiding

From Our Own Correspondent

EDMONTON,—The real reason Alberta abandoned the sales tax was very different from that given by Premier Aberhart and Provincial Treasurer Solon Low. They said that abolition of the tax as of Sept. 1 was a step in putting Social Credit in force; that the money to finance the experiment would come from the banks.

Actually, Alberta was able to drop the sales tax, which had proven widely unpopular over the whole of the province, because of an unexpected windfall in the shape of sucession duties from the estate of Hon. Patrick Burns, Calgary rancher, packing magnate and senator.

Inheritance taxes paid Alberta by the Burns estate totalled, The Financial Post learns from inside sources at the legislative buildings, between $900,000 and $1 million, solving the province's immediately pressing financial problems.

Investment Trusts

	Bid	Asked
Can. Amer. Trust	4.60	4.80
Can. Invest. Fund	4.50	4.85
All Can. Trustee	14.30	14.80
Trans Canada	14.00	...
Grouped Income	6.30	6.95
Can. Equity	12.50	...
Can. Int. Tr., modified	6.00	6.50
Do., unmodified	5.50	6.00

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Woods Manufac. [illegible]
Zimmerknit . . . [illegible]
York Knitting . . [illegible]

Ontario Steel Products

Income and Surplus Account
Years Ended June 30

	1937	1936
	$	$
Net operating profit	173,848	136,274
Add: Inc. from invest.	15,538	11,873
Total income	189,386	148,147
Less: Depreciation	25,000	[illegible]
Executive salaries	23,563	[illegible]
Directors' fees	2,060	[illegible]
Legal expenses	222	[illegible]
Head office expenses	10,206	[illegible]
Mortgage interest	6,433	[illegible]
Bad debts w/o	......	[illegible]
Income tax reserve	20,000	[illegible]
Net profit	101,881	[illegible]
Less: Pref. divds.	58,549	[illegible]
Surplus for year	43,332	[illegible]
Add: Prev. surplus	147,428	[illegible]
Life insur. received	39,763	......
Profit on sale invest.	......	[illegible]
Less: Tax adjust.	45	[illegible]
Bond redemp. exp.	162	[illegible]
Surplus forward	230,316	147,428

Working Capital

	1937	1936
	$	$
Current assets	573,344	[illegible]
Current liabilities	82,888	[illegible]
Working capital	490,456	[illegible]

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HOW MUCH OF YOUR OVERHEAD IS UNDERFOOT?

Donnacona Earnings Up For 6 Months

Further Increase Looked For in Last Half of Year

NEWSPRINT SALES UP

From Our Own Correspondent

MONTREAL.—The interim statement of Donnacona Paper Co. Ltd. for the six months ended June 30, 1937, shows earnings of $241,316 available for interest on funded debt, depreciation and depletion. For the corresponding period of 1936 earnings were $89,395.

Since June, earnings have approximated $55,000 per month, indicating a higher level for the second half of the year. Furthermore, it is expected that earnings in the last four months of the year will be in excess of $55,000 per month.

Earnings during the past two months do not reflect the benefits which are expected to be derived from the programme of alterations and improvements which is now practically completed. In the prospectus of the 5½% ten-year notes sold early this year it was estimated that savings and additional profits resulting from these improvements would amount to $230,000 annually. It appears, therefore, that earnings in the current year should amount to about $650,000 as compared with $285,000 in 1936.

Improvement recorded during the first half of the year is attributable in the main to increase in tonnage of newsprint and sulphite pulp sold, coupled with a gain in volume of sales of insulating board in the Canadian market.

Newsprint Sales Gain

Newsprint sales for the first six months showed an increase of 47% in volume and 62% in value of newsprint sales. Physical volume of sales of insulating board for export was practically unchanged, but sales in Canada increased by 21%. Gross profits from sales of insulating board were up 46% during the period.

Sulphite Pulp Output Up

Sulphite pulp sold totalled 6,700 tons, as against 1,540 tons in the first half of 1936. Sales income from this tonnage amounted to $225,000, nearly five times that of last year.

The programme of improvements, nearing completion, is expected to reduce cost of operations throughout the newsprint mill as well as add an estimated 15,000 tons to the newsprint capacity of the mill and 30,000 tons per year to the capacity of groundwood pulp. Improvements in the sulphite mill were completed two months ago and the new power plant, which will develop an additional 2,500 h.p., will be completed this month.

Canadian Paperboard Distribution Made

Final step in the taking over of Canadian Paperboard Ltd. by Robert Gair Co. Inc. is under way with exchange of 7% preference stock of Canadian Paperboard for 6% 40-year income notes of Robert Gair Co. at the rate of $30 in income notes for each $100 par value preferred. The exchange is being made by the Chartered Trust and Executor Co., Toronto. Common shareholders of Canadian Paperboard Co. will not receive any distribution.

Standard Steel Reduces Preferred Arrears by 75c

Standard Steel Construction Co. is reducing arrears on its class A preference stock by 75 cents a share on Oct. 1, in addition to regular quarterly payments of 75 cents.

This will leave arrears on the class A stock at $3 a share. A substantial improvement in earnings this year indicates that steady progress will be made in paying these arrears.

D. A. Stuart Co. Net Profits Grow

Oil Company Earns $1.95 a Share on Common

D. A. Stuart Oil Co. reports net profits equal to $2.10 a share on the preferred stock in the year ended May 31, 1937, the first full year of operations by the present company. After deducting the 80c. dividend paid on the preferred, a balance of $1.95 a share was available for the common on which no dividends were paid. The preferred is entitled to a dividend of 80 cents a share per year and participates equally with the common after 60 cents has been paid on the latter stock.

Net profits of the predecessor company and subsidiary were $75,262 in the year ended May 31, 1936.

The company has set aside $15,000 for the purchase of preferred in accordance with charter provisions. A promising new soluble oil has been developed in the company's laboratories and a lubricant for hypoid gears put on the market.

Income and Surplus Account
Year Ended May 31, 1937

	$
Net profit	*94,367
Less: Dividends declared	36,000
Surplus for period	58,367
Add: Income tax refund	25
Less: Social security taxes	457
Surplus forward	57,935

*After deducting $16,939 for amortization of patent.

Working Capital
As at May 31

	1937 $	1936 $
Current assets	272,759	194,862
Current liabilities	71,313	41,155
Working capital	201,446	153,707

B. C. Pulp Profits Rise

Diversification Provided by Changes at Company's Mills

Earnings of British Columbia Pulp and Paper Co. are understood to be again on a rising scale, reflecting largely an increase of around $10 per ton in the contract price of pulp compared with a year ago. Increased cost of wages, freight and supplies have partly offset the benefit received from this higher price for pulp but net profit is understood to be at a higher rate than a year ago. It is suggested that the company may more than cover preferred dividend requirements in 1937 although it is probably too early to make any accurate estimate.

No payments have been made on preferred since August, 1931, and full dividend requirements for one year on this 7% stock would require $38,934. In 1936, the company reported a net profit of $15,214, after allowing $238,000 for depreciation.

Expenditure of several hundred thousand dollars for an expansion programme at the company's mills in Fort Alice and Woodfibre will no doubt entail higher interest charges. Production, however, will be doubled within the next year and the outlook for shareholders improved from the longer point of view, providing that the market for pulp remains active.

Changes at the Port Alice plant, which will be completed before the end of September, will equip the mill to turn out any required grade of bleached pulp in addition to unbleached pulp. The Woodfibre plant, which formerly manufactured unbleached pulp exclusively, will also be equipped to turn out the bleached pulp. The company will thus be able to turn out whatever product happens to be most profitable.

Early indications were that the war conditions in the Orient have not materially affected the company's business in Japan. So far pulp has not been one of the commodities over which Japan has exercised rigid control in an effort to regulate exchange. How far, however, this will continue to be the case is not known.

Price Bros. Profits Gain

Statement Reflects Changes Following Upon Reorganization

From Our Own Correspondent

MONTREAL.—Price Bros. & Co.'s financial statement for the year ended March 31, 1937, the first to be issued since the company was reorganized, shows a marked expansion in operating revenues, with a net loss after all charges, including depreciation and depletion, of only $293,913, as against a loss of about $1.6 million for the year previous.

Net earnings for the past year were $1,590,710, compared with $534,320 the year before. Against this, special bank interest and bond interest were debited to the extent of $817,897. Depreciation and depletion together amounted to nearly $1.2 million, a drop of about $171,000 from the 1936 year.

Sharp Cut in Deficit

The consolidated income account for the past two years follows:

Income and Surplus Account
Years Ended March 31

	1937 $	1936 $
Operating profit	1,789,316	675,324
Dividends received	3,424	47,024
Misc. revenue	13,121	12,900
Total revenue	1,805,862	735,248
Less: Bank interest	191,445	162,807
Misc. interest	23,705	8,120
Bad debt reserve	......	30,000
Net income	1,590,710	534,320
Less: Spcl. bank int.†	125,587	......
Bond interest	692,310	663,696
Depreciation	1,000,000	1,000,000
Depletion	192,313	363,067
Rent, adjusted	......	65,600
Power, adjusted	......	37,582
Net loss*	293,913	1,595,625

†Interest on special loan obtained to redeem the company's old bonds.

*Transferred to deficit account—exclusive of bankruptcy and reorganization expenses, which expenses have been charged to capital surplus account.

Balance Sheet Changes

The balance sheet reflects the internal reorganization carried out by the company. The principal changes in the current report, as compared with that issued for year ended March 31, 1936, are shown in inventories, which increased from $4.3 millions to nearly $5.5 millions; investments from $859,406 to $4 millions; the writing down of accounts receivable from the Quebec Investment Co. and the Newsprint Institute of Canada, from $1.8 million to $2 and a reduction in property account from $50 millions to $46.4 millions.

Bank loans are shown at over $2.8 millions, a reduction during the year of $563,000. Sundry payables total $1 million, including certain unpaid reorganization expenses and debt to the Saguenay Power Co., secured by collateral. Accounts payable to creditors amounting to over $2.8 millions have been liquidated.

New Capital Setup

Changes in the capital setup include an increase in the funded debt from $11 millions to over $19 millions, while the common stock book value is reduced from $42.6 millions to $21.5 millions. Outstanding preferred stock remains the same.

Further as a result of the internal reorganization the book deficit of over $8.7 millions has been converted into a capital surplus of $7.6 millions.

In presenting the report to shareholders, President C. H. L. Jones states that the company's mills are operating at capacity, but prices are still low and operating costs have increased. The outlook for increased prices in future appears bright, he adds.

In conjunction with the issuance of the financial statement there was called a special meeting of shareholders, to be held at Quebec on Sept. 14, to consider amendments to existing by-laws, made necessary by changes since reorganization. Shareholders will also be asked to sanction an amendment changing the company's financial year to March 31. This will give the company a full year's operations after bankruptcy.

Commercial Alcohols Declares Dividend

From Our Own Correspondent

MONTREAL.—Commercial Alcohols Ltd. has declared an initial quarterly dividend of 10 cents a share on its 8% preference stock, par value $5 a share, payable Oct. 15 to shareholders of record Oct. 1.

This is the first dividend paid by the company since Oct. 15, 1928. Early this year shareholders approved a reorganization plan in order to eliminate arrears of dividend on the preferred. Under the provisions of the reorganization, new preferred stock was issued and dividends on this stock are cumulative from July 1, 1937.

Sales of the company during the first four months of the current fiscal year showed an increase of 25% and profits for the four months ended July 31 amounted to $20,366 before depreciation and income taxes, compared with $14,000 in the same period of 1936.

Robt. Mitchell Business Shows Improved Trend

From Our Own Correspondent

MONTREAL. — A definite trend for the better during the first half of the current fiscal year, which ended June 30, is indicated for the business of Robert Mitchell Co. and the Garth Co., according to a statement issued by S. C. Holland, president and managing director.

Results during the period show the company is operating at a profit after covering all charges and full depreciation, stated Mr. Holland; the volume of business on hand, together with prospective business, is encouraging.

All branches of the Robert Mitchell Co., together with the contract division and resale division of the Garth Co., are showing marked operating improvement over the previous year and the outlook generally is considered promising.

Wood, Alexander Calls Bonds for Sinking Fund

Wood, Alexander and James, Ltd. is reducing the amount of its 6% first mortgage bonds outstanding by $23,000 on Oct. 6, through operation of the sinking fund. Bonds drawn for redemption will be paid at 103 and accrued interest. Bondholders desiring to surrender bonds called for redemption prior to this date may do so at the office of the National Trust Co., Hamilton.

BRITISH BANKER

Rt. Hon. Reginald McKenna, chairman of Great Britain's largest bank, the Midland, and war-time chancellor of the British exchequer, arrived in Canada last week for a holiday in the Rockies. He is pictured above with Mrs. McKenna just before docking at Quebec.

Outlook for Foreign Bonds 8.

Outlook Brightens For Peruvian Bonds

Government Has Indicated a Desire to Rehabilitate Its Credit Standing — Political Situation Is an Uncertain Factor

Indications that the Republic of Peru desires to rehabilitate its credit standing together with the improved financial position of the country has brightened the outlook for Peruvian bonds.

Republic of Peru has deposited $500,000 with the country's fiscal agents in New York for payment of oldest interest coupons on three bond issues which have been in default since 1931. It is reported that Peru intends to apply a similar sum toward purchase of its bonds which are at low levels because of default, a practice which has been condemned by the Securities and Exchange Commission and the Foreign Bondholders' Protective Council, Inc.

The sum deposited is about one tenth of the amount required for payment of one year's interest on foreign dollar bonds of Peru. The issues on which payment will be made include the following: 6% loan of 1927, due Dec. 1, 1960; 6% loan of 1928, due Oct. 1, 1960; 7% loan of 1927, due Sept. 1, 1959. No provision is made in the current offer for province of Callao or city of Lima bonds.

This does not represent a permanent settlement, but merely a provisionary arrangement which will probably be followed by a definite debt settlement as a result of negotiations between the Peruvian Government and the Foreign Bondholders' Protective Council Inc., New York. It is expected that the final arrangement will involve interest payments on a sliding scale upward.

To Rehabilitate Credit Standing

There are definite indications that the Government wishes to rehabilitate its credit standing. In the 1936 budget an amount of four million soles was included for debt service. This was the first provision for debt service since the default in 1931. This amount is less than 3% of the budget and hence cannot be considered as an adequate effort by the Government to restore its credit and pay to bondholders a fair service on its debts. The budget law provided that even this small amount was to be divided into two equal parts, one part or approximately ½% to be used for interest and the other part for the purchase of bonds on the market. Even the small amount of two million soles for interest, amounting to less than 1½% of the Peruvian budget, has not been transmitted by the paying agents in New York for the benefit of bondholders. The budget allocation has so far been only a gesture.

Recently, however, Dr. Alberto Ulloa, legal adviser to the foreign department of the Peruvian Government, visited the United States and arranged to pay $500,000 in U. S. funds to the holders of the oldest unpaid coupons. Payments are being made through the Peruvian consulate in New York.

Meanwhile, the Foreign Bondholders' Protective Council hopes to carry on negotiations with the Government for a more adequate debt adjustment and some action along this line may be forthcoming before the end of the present year.

Is Able to Service Debt

As in many other Latin American countries the failure of Peru to resume debt service has been due largely to political rather than economic considerations. The present Government does not enjoy a clear majority and therefore has not a free hand in dealing with foreign creditors. It is, in fact, the large element of political uncertainty that places military expenditures ahead of debt service in the Government budget. This may tend to delay debt negotiations.

In view of the fact that Peru's foreign debt is a comparatively small sum authorities feel that the republic could pay debt service in full if it desired to do so. Available statistics indicate a satisfactory exchange situation, a comparatively strong budget position and growing prosperity. The 1937 budget in fact is the largest in the country's history and the current rate of receipts indicates that revenues will exceed total expenditures. In 1936 there was a surplus on budget operations. The 1937 budget calls for an increase of 13.8 million soles over 1936 expenditures.

Indicative of the improvement in the economic situation is the increase in foreign trade. There was substantial improvement in 1936 and further improvement was recorded during the first half of 1937. The outlook has also been brightened by the prospects of a high quality cotton crop and the improved position of the sugar industry resulting from the production quota assigned to Peru by the London conference.

Comparative figures of imports and exports are shown below:

Foreign Trade

	Imports $ 000's	Exports $ 000's
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

The dollar debt of Peru is made up of three national issues totalling $81.5 millions, one issue of the Province of Callao amounting to $1.2 million and one issue of the City of Lima for $2.8 millions, making a grand total of $85.6 millions. Other external indebtedness consists of sterling bonds of £3.8 millions.

Comparative figures of internal and external debt are given below:

Public Debt

	1936 $ 000's	1932 $ 000's
External:		
Funded	98,899	105,102
Floating	31,119	10,594
	130,018	115,696
Internal:		
Funded	17,166	10,808
Interest arrears	72	52
Floating	40,914	12,673
	58,152	23,533
Total debt	188,170	139,229

Note:—External debt converted at par of exchange, viz. 28 cents; internal debt at average rate for month of statement.

Central Power Output Higher

Level Is Ahead of Last Year Though Seasonal Drop Pronounced

From Our Own Correspondent

MONTREAL. — Central electric stations of Canada continue to operate at a high level, but output during July, while still ahead of last year, showed somewhat more than the usual seasonal drop.

According to returns collected by the Dominion Bureau of Statistics, July output totalled 2,188 million kw.h. compared with 2,255 million kw.h. for June and with 2,021 million kw.h. for July last year.

Comparison of the returns for July this year with those for the same month in 1936, shows that all five economic areas shared in the expansion.

July
(Thousands of Kilowatt Hours)

	1937	1936
Maritimes	76,892	72,335
Quebec	1,089,653	1,028,370
Ontario	725,288	636,171
Prairies	144,834	134,491
British Columbia	151,388	149,780
Total	2,188,055	2,021,147

Good Increase To Date

For the first seven months of this year central stations produced 15,944 million kw.h. as against 14,463 million kw.h. for the like period in 1936. Comparative returns for the two periods follow:

Seven Months Ended July
(Thousands of Kilowatt Hours)

	1937	1936
Maritimes	543,544	464,403
Quebec	8,168,916	7,374,733
Ontario	5,116,271	4,592,514
Prairies	1,162,148	1,083,382
British Columbia	953,308	948,201
Total	15,944,187	14,463,233

Export Deliveries Up

Exports to the United States rose from 158 million kw.h. for June to 164 million kw.h. in July.

Deliveries of secondary power to electric boilers declined from 600 million kw.h. in June to 513 million kw.h. in July.

Consumption of firm power, including losses, was 1,510 million kw.h., as against 1,359 million kw.h. for July last year.

Thompson Cadillac Shares

MONTREAL.—Under the terms of the option agreement, Thompson Cadillac Mining Corp. has issued a further 15,000 shares at 45 cents a share. This leaves the number of shares under option at 360,000, with 3,188,000 shares issued and outstanding.

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Stop cutting in, passing on hills or curves, taking chances of any kind. Settle down to safe, sane driving—and avoid trouble. You *know* the rules for safe driving. Stick to them — or run the risk of having your license suspended or cancelled. We are going to put reckless drivers off the road and keep them off.

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ONTARIO
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Motor Vehicles Branch

Investment Trends

Markets Emphasizing Immediate Prospects

International "Incidents" Have More Influence Than Generally Favorable Business Activity and Other Strengthening Factors

Canadian business generally is showing an uptrend in the face of the smallest wheat crop in years. In spite of continued war threats, reports from widely scattered sections of the world also reflect a remarkable recovery. The stock market, however, has not responded to this condition but continues to place greater emphasis on the disturbing influences.

For the short term period these adverse factors, particularly fears that wars in Spain and China will spread to involve other nations, appear to be receiving more than their share of importance. These temporary influences, whether favorable or unfavorable, will continue to sway the day-to-day movements of share prices but for the longer term the favorable factors appear definitely more powerful.

No evidence can be seen of undue speculation in stocks while there still exists a substantial backlog of business in the durable goods industries. So long as cost of living does not outstrip the gain in purchasing power over the country, industries should not have any great difficulty in finding buyers for their growing production.

Stock markets in Canada, as well as in other countries, continue extremely inactive and brokers are more worried by lack of volume than by the inability of share prices to make headway in the light of the generally favorable news noted in company reports. It does appear, however, to be more a case of a lack of buyers who are willing to bid higher for shares than an oversupply of shares offered at prices prevailing.

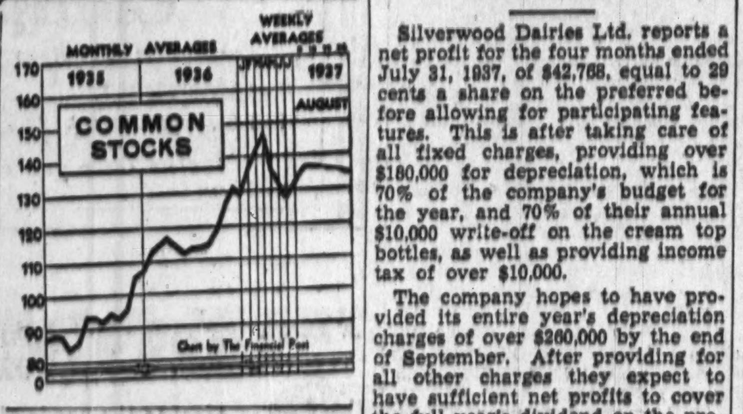
International "incidents," such as the shooting of the British ambassador to China last week, have had more bearing on the level of stock market prices than have industrial developments or news.

Spending for War

Most disturbing influence in the stock markets at present is undoubtedly the prospect that the Sino-Japanese conflict may spread. It was indicated at first that no European power was willing to give Japan a peremptory demand to stop its Chinese campaign. With neither Germany nor Italy willing to extend commitments for the sake of supporting a raid on China, financial centres hoped that the passive attitude of the large powers would remain a factor for reassurance Events of the past week have, however, intensified fears that the undeclared war in China will have wider ramifications.

If the conflict could be kept localized there would be little need for fear on the part of the investor.

* * *



Ocean Freight Rates

General ocean freight rates are now higher than at any time since the inflation boom of 1920 with the exception of a short period in 1926. Time charter rates from Great Britain at the middle of August were 12.5% higher than a month earlier and 200% higher than a year ago. An acute shortage of ocean tonnage is indicated and a sudden demand for war tonnage in the Far East would bring a situation which has not been seen since the Great War.

Only Canadian company that appears likely to benefit to any extent from this situation is Canadian Pacific Railway Co., which reported net earnings from ocean and coastal steamships of $3.5 millions in 1936. Some benefit will probably also accrue to the Canadian National (West Indies) Steamships, Ltd.

* * *

Newsprint in Great Britain

Reports from Great Britain suggest that a newsprint crisis is approaching. The newsprint producers have approached the British publishers with the claim that it is quite impossible for them to supply newsprint at prices set in contracts. Now the pulp producers have told the newsprint manufacturers that they cannot continue to make deliveries under hopelessly uneconomic contracts made from six to 18 months ago. Bowater's Paper Mills Ltd. was recently successful in obtaining an increase of 30s. a ton on 1938 contracts.

Newspaper proprietors are understood to have decided that it will be in the best interests of all parties to make some concessions to the newsprint firms to enable manufacturers to carry out their contracts. It is suggested that a system of rationing newsprint may be necessary. In any event it appears that British publishers have more or less reconciled themselves to paying higher prices for their newsprint. It is quite possible that in this adjustment Canadian newsprint producers and their American customers will find suggestions for handling a similar condition.

Muirheads Has Reduced Loss

Net earnings reported by Muirheads Cafeterias, Ltd., for the year ended Feb. 28, 1937, were considerably larger than in the preceding year but still insufficient to cover depreciation. Dividends are in arrears $3.50 a share on the 7½% preferred. The company redeemed 20 shares of the $10 par value preferred in the year at a profit of $110 which was taken to capital impairment account. This account shows a balance of $67,603 at Feb. 28, 1937.

A. S. Tindale, president, reports that negotiations are under way for a reduction in rentals.

Income and Deficit Account
Years Ended Feb. 28

	1937 $	1936 $
Net earnings	10,881	2,591
Less: Depreciation ...	24,000	24,000
Net loss	13,119	21,409
Add: Previous deficit	51,752	33,805
Addit. corp. tax	925	......
Adjust. bond & stock vals.	21	*3,462
Deficit forward	65,817	51,752

*Surplus from revaluation of securities.

Working Capital

	1937 $	1936 $
Current assets	73,269	60,353
Current liabilities	20,946	21,267
Working capital	52,323	39,076

Significant Investors' Index Numbers

1926 = 100

	Mach. and equip.	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied prod.	Beverages	Bldg. mater.	Power and traction	Banks	Total utilities	Total co's.
No. of Securities	5	6	4	4	10	13	7	14	15	9	19	96
1929-36:*												
High	432.5	113.4	273.4	423.5	113.5	197.8	205.4	261.1	197.6	131.7	166.0	196.3
Low	39.2	3.0	97.7	87.7	30.8	76.8	33.8	44.3	47.1	63.1	36.9	43.3
1937:												
Jan.	156.3	37.2	119.6	220.6	77.3	184.2	141.0	197.0	91.1	94.4	66.5	137.4
Feb.	163.4	36.7	120.7	235.2	78.5	186.2	139.3	203.5	97.5	96.7	73.1	142.4
Mar.	168.3	40.2	127.0	247.7	80.2	190.0	141.8	213.4	94.7	95.9	71.0	147.2
Apr.	157.5	47.1	117.4	230.4	79.9	182.4	133.4	204.8	85.1	94.0	64.1	136.2
May	151.3	36.5	109.4	229.6	77.5	176.5	128.4	186.4	84.0	92.7	63.0	132.8
June	148.1	38.2	103.7	220.2	77.7	177.7	131.0	179.6	84.1	92.3	63.2	129.4
July	146.0	40.5	102.0	222.8	79.7	182.1	136.1	188.7	88.0	90.2	63.9	133.0
Weekly Figures, 1937:												
Aug. 5 ..	150.6	36.7	96.7	225.0	80.8	182.0	137.1	188.4	91.0	90.2	66.2	135.7
Aug. 12 ..	152.8	40.8	99.1	223.3	79.7	182.8	137.5	192.9	92.9	90.0	66.0	136.7
Aug. 19 ..	153.1	41.7	99.1	223.6	79.2	182.6	130.7	195.5	90.5	90.0	65.3	134.2
Aug. 26 ..	149.7	39.2	96.9	221.9	76.9	181.5	135.6	191.4	87.9	89.7	63.7	133.3

*High and low for years from 1929 to 1936 inclusive are based on weekly figures compiled from figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indus.	20 Golds	20 Misc. Mines
Aug. 31	163.44	122.30	164.29
Aug. 30	162.13	122.69	163.01
Aug. 28	160.80	122.05	161.24
Aug. 27	161.00	122.33	162.53
Aug. 26	162.99	124.54	165.64
Aug. 25	164.77	125.74	169.18
Month ago ..	165.24	119.94	166.00
Year ago	135.61	141.03	143.00
High, 1937 ...	187.67	168.59	215.36
Low, 1937 ...	157.65	107.83	141.97

Montreal Averages

	10 Util.	20 Indus.	30 Comb'd
Aug. 31	79.0	108.3	98.7
Aug. 30	79.7	107.8	98.4
Aug. 28	78.9	106.6	97.4
Aug. 27	79.0	106.3	97.2
Aug. 26	79.4	107.7	98.2
Aug. 25	79.9	109.7	99.7
Month ago ...	82.3	109.6	100.5
Year ago	70.9	75.8	74.9
High, 1937 ..	92.5	122.2	109.5
Low, 1937 ...	74.8	100.3	92.3

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	Rate	*Maturity*	*Approx. yield*
Dominion of Canada..............................	3¼%	1949	3.04%
Dominion of Canada..............................	4½%	1959	3.36%
C.N.R. (Guaranteed by Dominion of Canada)....	3%	1945/50	3.23%
Dominion Coal Co., Limited......................	4½%	1952	4.59%
MacLaren-Quebec Power Co., Limited..........	5½%	1964	5.32%
McColl-Frontenac Oil Co., Limited..............	6%	1949	5.37%
Great Britain & Canada Investment Corporation	4½%	1959	5.39%
Queens Hotel, Limited............................	6%	1947	6.00%
Winnipeg Electric Co., Limited "A"............	4%—6%	1942/65	6.55%
Canada Steamship Lines, Limited...............	5%	1957	7.07%
International Bronze Powders, Limited..........	6%	Pref.	4.76%
Power Corporation of Canada, Limited..........	6%	Pref.	5.94%

Full particulars on request

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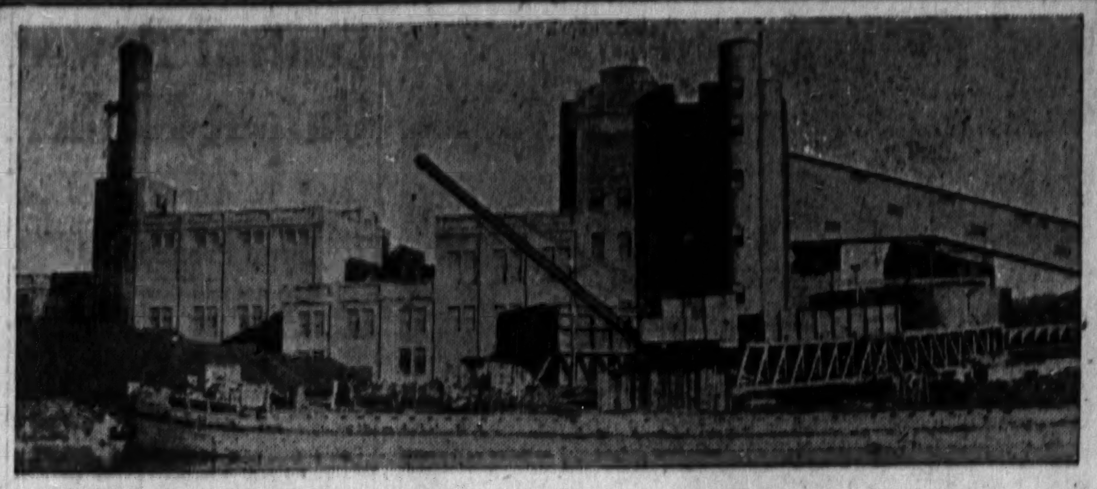

ABITIBI'S STE. ANNE MILL

Reopening of its 250-ton-a-day newsprint mill at Ste. Anne de Beaupré, Que., by Abitibi Power & Paper Co., scheduled for Sept. 1, will add 78,000 tons to the company's annual newsprint output provided the mill is operated at full capacity. A flume has been built for 8½ miles, at a cost of $250,000, to transport pulpwood to the mill.

Silverwood Earnings Up

Report for Four Months Indicates Possibility of Dividend

Silverwood Dairies Ltd. reports a net profit for the four months ended July 31, 1937, of $42,768, equal to 29 cents a share on the preferred before allowing for participating features. This is after taking care of all fixed charges, providing over $180,000 for depreciation, which is 70% of the company's budget for the year, and 70% of their annual $10,000 write-off on the cream top bottles, as well as providing income tax of over $10,000.

The company hopes to have provided its entire year's depreciation charges of over $260,000 by the end of September. After providing for all other charges they expect to have sufficient net profits to cover the full year's dividend on the preferred stock.

Subject to being able to accomplish this objective, it is probable that the directors will consider the payment of a partial dividend on the preferred stock. This matter will probably be reviewed around the middle of September. As an initial payment on the preferred, it is suggested that at least 10 cents a share for the half year will be declared. The preferred carries a 40-cent-a-share annual cumulative dividend. No payments have been made to date.

As at July 31, 1937, Silverwood Dairies reported consolidated working capital of $477,733. This compares with working capital of $401,763 at April 3, 1937.

Honey Dew Has Profit In First Nine Months

Sales of Honey Dew, Ltd., have shown a substantial improvement in the nine months ended July 31, 1937, and the company reports a profit of $21,505 for the period, after all charges except income taxes. In the same period of 1936 a net loss of $15,240 was shown, before income tax.

Net profits of the company were $2,274 in the year ended Oct. 31, 1936, after income tax.

McColl-Frontenac Earnings Better

McColl-Frontenac Oil Co. reports net earnings of $512,000 in the six months ended July 31, 1937, compared with $106,000 in the corresponding period of 1936. These net earnings are reported after bond interest, depreciation and taxes.

The net earnings reported for the 1937 period left a balance available for the common of about 42 cents a share after allowing for six months dividends on the preferred stock. In the comparative period of 1936 net earnings were not sufficient to cover preferred dividend requirements.

The first six months of the fiscal year include the months of May, June and July which, together with August, September and October, comprise the peak period of the company's business for the year. For the remaining months of the year, earnings are largely dependent on weather conditions.

Investment Notes

Toronto Elevators Ltd. handled a total of 20,612,000 bushels of grain in the year ended July 31, 1937. Of this amount 16,410,000 bushels were handled at the Toronto elevator and 4,202,000 bushels from the Sarnia elevator. This is an increase of approximately five million bushels over the volume handled in the year ended July 31, 1936. The outlook for grain handling is not so bright for the current year because of the small wheat carryover and the very small crop to be harvested in the Canadian West this year.

* * *

B. C. Power.—Earnings on the class A stock during July amounted to 15.2 cents a share. This contrasts with 13.9 cents a share for the same month a year ago. Indications are that earnings this year will run over $1.80 a share on the class A stock in 1937-38.

* * *

Canada Cement—Government reports on shipments of Portland cement this year, indicate that Canada Cement's earnings at the end of Nov. 30 next will show a further increase. This is reflected in the recent increase in the quarterly dividend on the preferred stock.

* * *

Corporate Investors—Income for the three months ended July 31, 1937, is reported at $24,020, or 12 cents a share, compared with approximately $20,000 for the quarter ended April 30, 1937, after allowance for non-recurring items and semi-annual dividends received. Number of shares outstanding was 195,398 at July 31, 1937, only slightly increased from the 195,063 outstanding at April 30. Assets, including investments at cost, less reserve, were $1,215,177 at July 31, 1937, against $1,197,869 at the end of April.

Changes in investments held during the three months ended July 31, 1937, were as follows:

Portfolio Changes from April 30, 1937, to July 31, 1937
Deletions
BONDS:
Canadian Nat'l Railways.
City of Hamilton.
City of Kitchener.
City of Ottawa.
City of Toronto.
Asbestos Corp. 6% '41.
PREFERREDS:
Biltmore Hats Ltd.
Canada Bread Co.
Candn. Bronze Co.
Guelph Carpet.
Hiram-Walkers.
Loblaw Groceterias.
McColl-Frontenac.
Nova Scotia Lt. & Pr.
Rolland Paper Co.
Tip Top Tailors.
COMMON:
Asbestos Corp.
Canada & Dom. Sugar.
Harding Carpets.
Laura Secord.
Montreal Power.
Shawinigan Power.
Additions
PREFERRED:
English Electric, A.
Inter. Paper & Power, 7%.
Price Bros.
COMMON:
English Electric, B.
Increased
PREFERRED:
Candn. Canners, 2nd.
Frost Steel & Wire.
Great Lakes Paper, A
Hamilton Cottons.
Int. Bronze Powders.
Int. Metal Industries.
COMMON:
Building Products, A.
Cockshutt Plow.
Howard Smith Paper Mills.
Lake St. John Power & Paper.

INDUSTRIAL ACCEPTANCE

New analysis of this Canadian company indicates interesting nature of its 4% Notes, convertible into the Class A Shares.

Ask for analysis P 3

Greenshields & Co
INCORPORATED
507 Place d'Armes, Montreal
TORONTO OTTAWA QUEBEC
SHERBROOKE

107

Restigouche Pays Arrears

Is Paying Deferred Installments in Advance of Due Date

From Our Own Correspondent

MONTREAL. — Restigouche Co., subsidiary of Fraser Companies Ltd., will pay the four remaining installments on account of deferred interest on its 6% first mortgage bonds on Oct. 2 next. The payment, including 6% interest on arrears will amount to $12.28 per $100 bond.

Under the terms of the reorganization passed in 1932, interest on the company's first mortgage bonds for the two-year period from Feb. 1, 1932, was deferred. Deferred interest was made payable in five equal annual installments, commencing Aug. 1, 1937, the company being entitled to anticipate payment on 30 days notice. The first installment of $2.40 plus interest thereon of 81 cents, making a total of $3.21 per $100 bond, was paid on Aug. 1, last. The remaining installments, which are to be paid Oct. 2, were due on Aug. 1, 1938-41 inclusive.

Orange Crush Earns Full Dividend in 9 Months

The full year's dividend requirements on the preference shares were more than covered by Orange Crush Ltd., in the first nine months of the year, according to a statement by E. P. Taylor, president. The company has no bank loans and its working capital is said to be satisfactory. Dividend requirements on the new preferred are 70 cents per year and in the year ended Oct. 31, 1936, the company earned 34 cents.

August sales are about 30% higher than in the corresponding month of 1936 and the company anticipates a substantial profit for the last three months of the fiscal year.

Preston, Ont.—The town of Preston has collected 54½% of its 1937 tax levy in the period ended June 30, 1937, an increase of about 3% over 1936 collections.

Keefer Realty To Reorganize

Bondholders to Get Cash, Income Bonds and Stock

From Our Own Correspondent

MONTREAL. — Bondholders of Keefer Realty Corp. will receive $375 in cash, $300 in new 5% income bonds and 20 class B shares for each $1,000 bond, according to a reorganization plan announced by the bondholders' protective committee.

Originally the committee planned to sell the building for not less than $450,000, but no final offer has been received.

Features of the new proposal are as follows:

(1) The placing of a new 5% first mortgage for $300,000, due 1952, in priority to the present bonds, the net proceeds, after payment of discount commission, reorganization expenses and a loan of $10,000 due to F. L. Beique Inc., to be distributed pro rata to present bondholders. The present bond mortgage consists of $722,000 of 6½% first mortgage bonds.

A firm offer to take up the new $300,000 mortgage has been received, subject to the approval of bondholders.

(2) The present 6½% first mortgage bonds are to be converted into 5% income bonds and the principal amount reduced to $216,000, that is, $300 of income bonds for $1,000 of present bonds.

(3) The unsecured loan of $20,377 from the T. C. Keefer Estate is to be discharged by present shareholders of the company.

(4) Share capital is to be reorganized to consist of 180 class A shares to be distributed to present shareholders and 4,332 class B shares to be distributed to bondholders. Class A and B shares rank equally except that class A shares shall be entitled, in the event of sale of the property, to 4% of the gross sale price.

Great Lakes Power Company Limited

4¼% Bonds due September 1st, 1956

Great Lakes Power Company Limited generates and sells hydro-electric power to municipal, industrial and mining consumers.

Earnings of the Company in 1936 covered bond interest requirements by a substantial margin and current earnings are recording improvement.

Price: 95.50 and interest, yielding 4.61%

Wood, Gundy & Company
Limited
36 King Street West, Toronto
TELEPHONE: ELgin 4321

CANADA STEAMSHIP LINES
LIMITED

5% 1st Mortgage Bonds due 2nd January, 1957

Following the redemption on 15th August, 1937, of the 5% Consolidated Debenture Stock these new bonds of *Canada Steamship Lines Ltd.*, now constitute the first mortgage security of the Company. The initial interest payment on these new bonds was made on 2nd July, 1937. It was recently stated by the President of the Company, that based on earnings to 30th June, 1937, annual bond interest will be fully earned after depreciation and other charges and reserves.

We offer these bonds at the market to yield approximately 6.90%.

HANSON BROS.
INCORPORATED
ESTABLISHED 1883

255 St. James Street, Montreal
HArbour 9281

330 Bay St.,
TORONTO
ADelaide 6408

56 Sparks St., Ottawa
Queen 8774

60,000 COMMON SHARES
(No Par Value)

The B. Greening Wire Company, Limited

(Incorporated under the laws of the Dominion of Canada)

CAPITALIZATION
(Upon completion of financing)

	Authorized	Issued or to be Issued
Common Stock (No Par Value) • • •	250,000 shares	190,000 shares

THE COMPANY—The B. Greening Wire Company, Limited, was incorporated under the laws of the Dominion of Canada in 1923 to acquire the properties and business of The B. Greening Wire Company, Limited, in Hamilton, Ontario, one of the largest manufacturers in Canada of all classes of wire cables, cloth, screens, chain, et cetera. The original Company was founded in 1859 by Benjamin Greening who came from Manchester, England, where he had previously been engaged in the wire industry.

The Company's products are known from coast to coast in Canada and are exported to the United States, England, India, South Africa, Australia, New Zealand and South America. A branch office and warehouse is operated in Montreal, and direct agencies are maintained in Calgary and Winnipeg. Business is carried on mainly with the wholesale hardware trade and directly with large industrial and mining companies.

PURPOSE OF ISSUE—The proceeds of this issue, and of a further 10,000 Common Shares to be purchased by the present holders of Common Shares, will be used to the extent necessary to redeem $650,000 par value of 7% Cumulative Preference Shares on October 1st, 1937. Any balance will be used to augment the Company's working capital.

EARNINGS—For the fiscal year ended June 30th, 1937 net profits, after depreciation and taxes, were equivalent to $1.06 per share on 190,000 Common Shares presently to be outstanding.

DIVIDENDS—It is the intention of the Board of Directors of the Company to place the Common Shares on a dividend basis of 50 cents per share. It is expected that a dividend will be declared payable on January 2nd, 1938.

We offer these Common Shares, if, as and when issued and accepted by us, subject to the approval of all legal details on our behalf by Messrs. Kilmer, Landriau, Rumball, Gordon & Beatty, Toronto, Ontario. The solicitors for the company are Messrs. Gibson, Levy, Inch & Coyne, Hamilton, Ontario

PRICE $12.00 PER SHARE

The right is reserved to reject any or all applications and also in any case to allot a lesser number than that for which application is made. Interim certificates are expected to be ready for delivery on or about September 10, 1937.

A Prospectus, copy of which has been filed under The Companies Act, 1934, will be promptly furnished on request.

Lampard, Marston & Company, Limited — TORONTO
Hamilton . . . . . . REgent 7914

Cochran, Murray & Co., Limited — TORONTO
Hamilton . . . . . . REgent 1333

The information in this advertisement is based upon statements and statistics on which we have relied. We do not guarantee but believe the statements herein made to be true.

This issue having been sold, this advertisement appears as a matter of record only.

Bond Markets

U. S. Rediscount Rate Move to Protect Bonds

Federal Reserve Action Seen as Aiming Strengthening Market for Testing Time of Fall Grain Movement—Trading Small

Action of the Federal Reserve Bank of New York in reducing its rediscount rate from 1½% to 1%, thereby establishing the lowest charge on loans to its member banks ever posted by a central bank, is generally looked upon as a move designated to strengthen the Government bond market. The rediscount rate of reserve banks at Chicago, Atlanta and Richmond has also been lowered.

Directed at keeping money cheap and providing adequate credit for farmers and businessmen, the reduction was made in anticipation of a large increase in demand for bank credit this autumn in connection with the movement of crops and the seasonal expansion of business. Not only, however, is the policy directed at keeping interest rates from rising sharply this fall under the impact of crop moving demands, but also at protecting the market for Government securities from further heavy liquidation by the commercial banks. The banks are being encouraged to borrow from the reserve banks and relend to business and farmers instead of selling Government bonds. Up to the present, the commercial banks have shown a strong tendency to meet a rising demand for loans by selling Government bonds.

At the present time it is impossible to say whether the move will succeed in accomplishing its purpose. At the moment, excess reserves of the banks are adequate so that no immediate repercussions are likely. In the meantime, the Government market continues weak.

In the Doldrums

As far as trading is concerned, the Canadian bond market appears to be drifting in the doldrums, transactions being small in volume. A similar situation prevails on the New York market.

It is evident that the favorite position of the investor at the moment is on the side-lines and the few that are bold enough to make commitments are interested largely in short- and medium-term issues. It is becoming increasingly difficult to dispose of large blocks of long-term, high-grade securities.

The feeling still persists that interest rates are too low and that a rise in the cost of money cannot be postponed much longer, especially in view of continued business improvement and expansion. Most of the insurance companies appear to be of this view and for this reason are continuing to invest their funds in medium- and short-term securities, whereas normally they are large purchasers of long-term bonds.

The Dominion Government is apparently securing any new funds it requires through the sale of treasury bills. Sale of $25 millions of treasury bills on Aug. 31 represented a further increase of $5 millions, bringing the total outstanding to $150 millions.

Prices of high-grade Government bonds continue to hold fairly steady. Good demand has been in evidence for British Columbia and Manitoba issues as a result of improvement in the outlook for these provinces. Offerings, however, have been small.

• • •

Grain Bonds

With prospects of Canadian grain companies adversely affected by the extensive crop failure in western Canada, bonds of these companies have recently depreciated in price and some issues are quoted at a substantial discount.

The fiscal year of the most of the grain companies ended on June 30 or July 31 and, while financial statements are not yet available, it is known that earnings were smaller than in the 1935-36 fiscal period. Furthermore, another lean year is in prospect for 1937-38 since this year's crop is even smaller than the 1936 crop.

While prices have dropped sharply, there has been no liquidation of these bonds and at the present time trading is practically at a standstill. Investors, however, are uneasy, especially in view of default by Western Grain Co. on its July interest coupon.

There does not appear to be any immediate danger of further defaults, but companies such as Federal Grain and Alberta Pacific Grain have only small cash resources and large bank loans. Furthermore, Alberta Pacific has not made any sinking fund payment during the past four years.

Reliance Grain Co. and United Grain Growers are somewhat better situated. United Grain enjoys a sound liquid position and has been able to earn its bond interest after depreciation in each of the past six years. Reliance Grain has not only earned its bond interest, but in 1936 showed earnings of $1.25 a share on its common stock.

Grain Companies' Bonds

	—Prices—	
	Bid	Asked
Alberta Pacific	..	90
Federal Grain	80	86
Reliance Grain	..	97
United Grain	..	96
Western Grain	..	44

• • •

Bond Index

The Financial Post index of high-grade Canadian Government bonds shows the trend of prices in the past week and is given below.

Average Price and Yield for Seven High-Grade Government Bonds

1937	Price $	Yield %	1936	Price $	Yield %
Aug. 31	114.31	3.213	Aug. 31	117.68	2.987
Aug. 30	114.26	3.219	Aug. 29	117.66	2.988
Aug. 28	114.26	3.220	Aug. 28	117.70	2.986
Aug. 27	114.26	3.220	Aug. 27	117.68	2.987
Aug. 26	114.69	3.207	Aug. 26	117.64	2.994
Aug. 25	114.36	3.210	Aug. 25	117.50	3.000
Aug. 24	114.27	3.221	Aug. 24	117.50	3.000
Year's	3.206	116.81	Year's	2.968	117.91
Range	3.505	111.60	Range	3.597	111.50

Municipal Finances

Winnipeg—At the end of July, 1937, the city had $379,425 of the 1936 tax levy still unpaid. An improvement in current tax collections of approximately 5% has taken place in the last four years. No agreement has been reached between the city council and the school board but another $335,000 of the 1937 school levy has been paid to the board.

• • •

Windsor, Ont.—William F. Parsons, London, Ont., and Henry E. Langford, Toronto, have been named members of the bondholders' panel of the board of trustees in connection with the refinancing plan. The bondholders' representative, Archibald McPherson, has power to name two members of the panel, the senior member of which will take his place in the event that he is unable to perform his duties at any time.

• • •

Kitchener, Ont.—Ordinary current expenditures for the seven months ended July 31, 1937, were $656,544, compared with $700,966 for the corresponding period of 1936, a decrease of $44,422. Revenues for the same period have been $927,061, an increase of $51,106 over the 1936 period and well over half of the estimated 1937 revenue of $1.4 million. The city's contribution toward relief from Jan. 1, 1937, to July 31, was $36,978, or $21,871 less than in the 1936 period.

• • •

Town of Thorold, Ont.—Revenue of $203,825 is reported for 1936 and expenditure of $202,447, leaving a surplus for the year of $1,378. Accumulated tax arrears were $82,790 at Dec. 31, 1936, against which there was a reserve of $65,251. Debenture principal installments have not been paid since May 1, 1934, and the amount due and unpaid at Dec. 31, 1936, was $158,058, of which $114,475 had been levied for, and $43,582 had not been provided for in tax levies. Debenture interest has been in default since March 1, 1935, $65,390 being unpaid at the end of 1936. Of this amount $30,299 had not been levied. The town's hydro-electric system had a profit of $7,712 in 1936 and the waterworks departments showed a profit of $3,600.

• • •

Cornwall, Ont.—The city council has fixed the general tax rate for 1937 at 19.5 mills, the same rate as for 1936. This includes approximately two mills, entire cost of the city's share of relief which has been paid out of current revenue. Actual receipts for the seven months ended July 31, 1937, have been $84,370 while expenditures for the same period were $86,740. The item for receipts does not include the provincial government subsidiary of one mill.

• • •

Town of Grimsby, Ont., reports total receipts of $197,778 in 1936 and expenditures of $197,458, leaving a surplus for the year of $320. Expenditures included $32,020 debenture principal paid in 1936. The town's current balance sheet showed net current assets of $27,611 at Dec. 31, 1936. Debenture debt outstanding at the end of 1936 totalled $322,092.

• • •

Chatham, Ont.—The city of Chatham, Ont., has collected $272,285 out of the 1937 tax roll of $509,101, or 53.45% in the first six months. This compares with 50.97% collected in the first half of 1936. Expenditures for the six months ended June 30, 1937, have been $261,177 compared with $251,580 in the same period a year earlier.

• • •

Lincoln County, Ont. — Lincoln county council has adopted 1937 estimates providing for a tax levy of $367,900 and other receipts of $83,470. General expenditures are estimated at $277,616 and debenture charges for principal and interest at $173,754. The 1937 tax levy is $16,474 below that for 1936.

• • •

Carleton Place, Ont.—The town of Carleton Place had income of $146,867 in 1936 and expenditures of $150,637. The town's waterworks system reports net income of $282 for the year, and net income of $9,878 is reported by the hydro-electric system. Debenture debt outstanding was $326,812 at Dec. 31, 1936, in general account and $14,970 local improvement debentures.

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YOUNG EXECUTIVE, 30 YEARS, desires position with financial institution in capacity of statistician or investment counsel. Ten years statistical and accounting experience in Bond and Stock business with well established firm. References available from present employer. Will locate anywhere in Canada. Box 117, The Financial Post, Toronto.

Winnipeg Elec. July Net Down

Higher Costs Offset Increase in Company Revenue

From Our Own Correspondent

MONTREAL. — Although gross revenue of Winnipeg Electric Co. in July was $14,193 higher than in the same month of last year, net earnings were $8,466 lower as a result of an increase of $22,659 in operating expenses and taxes.

During the first seven months of the current year, gross earnings showed an increase of $103,029. This, however, was offset by an increase of $103,500 in operating expenses and taxes so that there was a decrease in net earnings of $471.

Comparative figures for July and the first seven months are given below:

Revenue and Expenditures

	July 1937 $	1936 $
Gross earnings	493,394	479,201
Oper. exps. & taxes	317,183	294,524
Net earnings	176,211	184,677
Seven Months Ended July 31		
Gross earnings	3,950,884	3,847,855
Oper. exps. & taxes	2,304,219	2,200,719
Net earnings	1,646,665	1,647,136

Bond Sales

Treasury Bills

Dominion of Canada sold $25 millions of treasury bills on Aug. 31 at 99.84374, a cost basis of .628%. This is a record low cost for this type of financing in Canada, the previous low being .632% in July. Sale of this $25 millions increases the amount of treasury bills outstanding by $5 millions to $150 millions.

Bond Tenders

7.30 p.m., Sept. 8, Guelph—$55,500, 3%, 5-yr. ins. bonds, dated Oct. 1, 1937.

West Speeds Briefs For Federal Enquiry

Premier Aberhart Changes Stand and May Boycott Commission After Engaging Both Economists and Counsel

Now that the personnel and terms of reference of the Royal Commission on Dominion-provincial financial relations have been announced, the work of preparing material and briefs to be submitted to the commission by provincial governments, municipalities and various public bodies is proceeding with as much dispatch as possible.

Western Provinces Show Energy

Since the appointment of the commission arose largely out of the fiscal problems and difficulties of the four western provinces it was to be expected that these governments would show the greatest enthusiasm and energy toward the undertaking, and in the preparation of briefs. For several months now they have been doing preliminary work.

It appears that the Prairie Provinces lay greater stress upon the importance of the study to be undertaken than the Dominion Government itself. The governments of Manitoba, Saskatchewan and Alberta undertook several months ago to secure jointly the services of Dr. Jacob Viner, University of Chicago economist, and Dr. Alvin Hansen, head of the department of economics of the University of Minnesota. They will act as consultants and will render special assistance in connection with various topics. Dr. Viner is a recognized authority on the subject of tariffs.

In addition to being associated with Manitoba and Saskatchewan in securing the services of Dr. Viner and Dr. Hansen, Alberta is employing independently two other expert economists. They are Dr. Emerson P. Schmidt, associate professor of economics at the University of Minnesota, and Dr. C. W. Waite, professor of agricultural economics at the same institution.

Hon. Solon Low, provincial treasurer, who is in charge of drafting Alberta's brief, has also announced that the Government has appointed John E. Brownlee, former premier, as senior counsel to the legislative committee and economic experts who are preparing the brief.

Alberta's Stand Not Understood

In view of these extensive arrangements for the presentation of its briefs, observers find it difficult to understand Premier William Aberhart's recent protest against both the personnel and terms of reference of the Royal Commission, in which he stated that it would be "entirely futile to make representation under present set-up." They point out that the provincial governments could not be expected to be consulted in regard to the personnel and that there was no suggestion that they should be. Furthermore, the terms of reference are somewhat broader than was expected when the Dominion Government first announced its intention of appointing such a commission.

In Line With Douglas's Advice

It is rather significant that Mr. Aberhart's recently announced opposition is, like most of his recent legislative programme, in keeping with the policy suggested by Major C. H. Douglas. In his recent book entitled "The Alberta Experiment," Major Douglas reveals that early this year he advised the Alberta Government to have nothing to do with any Royal Commission appointed by the Dominion Government or with any commission not appointed by the Alberta Government.

Manitoba and Saskatchewan

In Saskatchewan, preparation of the Government's brief is in charge of Hon. T. C. Davis, attorney-general, and in Manitoba, Hon. Stuart Garson, provincial treasurer, is in charge.

Between Manitoba and Saskatchewan there is very close co-operation and arrangements have been made between the two governments for the interchange of information. There has, in fact, been some division of studies to be undertaken. For instance, the Saskatchewan Government has undertaken a study of the whole question of railway rates and their relationship to the economy of western Canada, while Manitoba is making a complete study of the variability of income of the residents of the Prairie Provinces with a view to linking up such information with the tax paying ability of the various provinces.

In addition, Manitoba has an economic survey under way, the findings of which are expected to be of value in supporting its case before the Royal Commission. This survey is being conducted by Dr. H. C. Grant, of the economics department of the University of Manitoba, and Clive B. Davidson.

British Columbia, like the three Prairie Provinces, has been busy on preliminary surveys for some time and has announced the appointment of Senator J. W. deB. Farris, recently elected president of the Canadian Bar Association, to direct the preparation and presentation of its brief.

Eastern Provinces Less Active

In eastern Canada, arrangements for the preparations of briefs by provincial governments have been less extensive, although staffs of the treasury departments are engaged in making special studies with this in view. Ontario is in the throes of an election campaign and at the moment the Royal Commission is not of great consequence. Quebec, however, plans to appoint its own commission to investigate the whole subject of taxation in the province and is hopeful of getting the study under way in time to assist the Government in its presentation to the Dominion appointed commission. The Quebec commission will be headed by a member of the British treasury board.

Studies by the major municipalities and by unions of municipalities are also under way as are independent studies by such groups as the Canadian Chamber of Commerce and the Canadian Manufacturers' Association. Furthermore, a private study, sponsored by a number of large industrial concerns, was commenced several months ago. This study is under the direction of Dr. Wynne, of the Citizens' Research Bureau, Toronto.

Alberta May Boycott

From Our Own Correspondent

EDMONTON. — Premier Aberhart has raised the possibility that Alberta, possibly alone among the provinces, will boycott the Rowell national commission.

Mr. Aberhart refused to enlarge on his protest, and to a question whether or not Alberta would refuse to make submissions, he said: "We can't see much reason for it."

Bond Redemptions

Bond Issues:	Rate	Year	Date	Price
Can. Cons. Rub.	6%	1949	Oct. 1	110
Dom. Coal, 1st mtge.	5%	1940	Oct. 1	108
Do., s.f. deb.	6%	1955	Oct. 1	100
Wood, A. & J.	†6%	1944	Oct. 9	103
Religious Issues:				
Hotel Dieu St.-Valier, Chicoutimi	5%	1937	Oct. 1	...
†For sinking fund purposes, $23,000.				
Stock Issues:				
B. Greening Wire	7% Pref.		Oct. 1	115

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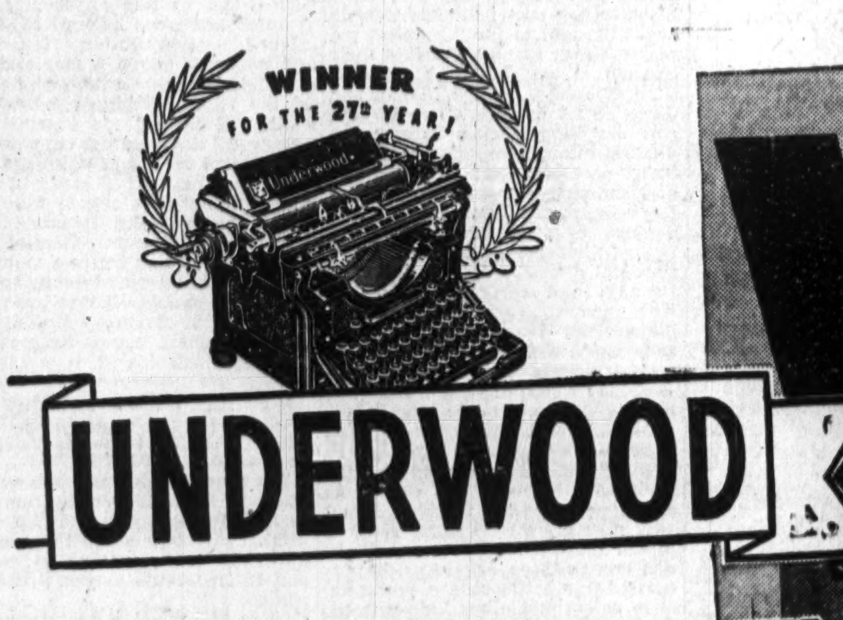

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TYPING CHAMPIONSHIP

1937 OFFICIAL WORLD'S SPEED

SHATTERS 2 OFFICIAL WORLD RECORDS . . . SWEEPS ALL 6 CHAMPIONSHIPS!

10 TIMES WINNER!

On behalf of the C.N.E., Mayor W. D. Robbins, of Toronto, presents George Hossfield with trophy emblematic of the official World's Professional Championship and congratulates him on breaking his 1929 'per minute' record—also established from unfamiliar copy!

THRILLING SPECTACLE!

The World's Professional Championship was open to typists of *any* country. B. Stapert, B. Poulsen, C. Peters and C. Soucek, all internationally known speedsters, participated. George Hossfield's victory, therefore, was over the world's best!

HAPPY CHAMPION!

Participating in only her third contest, Grace Phelan, World's Amateur title-winner, dazzled contest spectators with a remarkable performance which enabled her to establish an unexpected high 'per minute' world record—on her Underwood!

AT THE official International Speed Typing Contests conducted by the Canadian National Exhibition, Toronto, August 28th, Underwood's magic-like touch raced George Hossfield, New Jersey, to the World's Professional Championship and a new, official 'per minute' record—139 net words!

Grace Phelan, Pennsylvania, speeded to victory with 129 net words per minute to annex the World's Amateur title—and establish another remarkable speed record for Underwood!

Canadian Record Shattered, Too!

Margaret Faulkner, Toronto, captured the Canadian Amateur title with a record-breaking speed of 118 net words per minute.

Underwood's unrivalled speed also swept Gladys Mandley, Toronto, to the Canadian Professional title—Gwyneth Belyea, Winnipeg, to the Canadian School Open—and Gustave Stove, Winnipeg, to the Canadian School Novice . . . Climaxing the greatest typewriting victory since the inception of speed typing contests!

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TYPEWRITERS
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MONTREAL—Dominion Square Bldg., Murray R. Chipman, Eastern Manager; John E. Langdon, Eastern Editor.

GREAT BRITAIN, London—Resident representative, J. K. Ross-Duggan, Sun of Canada Bldg., 2, 3 and 4 Cockspur St., London, S.W.1. Telegraphic Address, Atabek, Lesquare, London.

TORONTO, SEPTEMBER 4, 1937

The Financial Post's Platform for Canada

1. *Balanced budgets.*
2. *Abolish politics in C. N. R.*
3. *Merit system in public service.*
4. *Freer foreign trade through Empire preferences and foreign treaties.*
5. *Stable tariffs for balanced development.*
6. *Stricter laws to protect investors.*
7. *An even break for Canadian national newspapers and periodicals.*
8. *A modernized constitution.*
9. *Integrity in meeting public obligations.*
10. *Wider markets for our farms.*

Workers' Pennies

THE recent convention of the United Automobile Workers of America has attracted considerable notice in the United States. It discloses for the first time "official" figures as to the membership and finance of this Lewis affiliate which reports $500,000 in its treasury and a membership of 375,000. In 15 months, over a million dollars has been collected as the U.A.W. share of local dues. (Each member of a local contributes 37½% of his monthly fee of $1 to the central body). In addition, a further sum of $2 millions has reputedly been spent on strikes.

As the New York Herald-Tribune points out, the only financial linen which this union washes in public involves but one third (37½%) of the total moneys collected. What happens to the rest? How much has been collected, how much spent, and how much remains? Says Herald-Tribune:

> "The point is that the country here is dealing with big business and is getting only a peep at the scale of its transactions. There should be a public record of the whole picture, as insisted on in the case of corporations, so that the citizenry in general and especially the rank and file members of the organization may know, local by local, how much money is taken in and what is done with it."

Many Canadian workers have a very direct stake in these funds. A conservative estimate of United Automobile Worker locals in Canada would indicate a total of at least 5,000 members—possibly more. Assuming the bulk of this membership joined in April of this year, the amount collected in Canada would now be nearing the $25,000 mark. Since 37½ cents out of each dollar goes to the parent body in the United States, the contribution of Canadian workers even in this short space of time would seem to be between $9,000 and $10,000.

Where do these workers' pennies go?

Spend to Save

A SUBSTANTIAL increase in Federal expenditure in the next few years is urged by the National Employment Commission in order to increase the "employability" of those now presently out of work.

What Mr. Purvis and his fellow-commissioners stress in their recently published report is that we must constantly "break down" the elements of our relief and unemployment problem into increasingly smaller units. Only in this way can we attack the thousands of individual, social and community problems which go to make up the sum total of our unemployment problem.

The next job is to take those of each group or "type" and bend every effort to improve their "employability." This will mean considerable cash outlay and will demand the co-operation, not only of provincial and municipal governments, but also of industry. It is an expenditure which the commission believes will pay excellent dividends in the years to come. But it is essential if any substantial economy in federal, provincial and municipal expenditures for unemployment relief is to be achieved.

As the report says:

> "Without a concerted effort along this line, even with improved economic conditions, all governmental bodies will be involved in a continued heavy drain for the granting of subsistence allowances because of the unsuitability of many receiving aid for the requirements of primary and secondary industries."

Alongside the millions that are being spent every month for direct relief the sums that will be required for this "reconditioning" of our jobless men and women look small. They are none the less of vital importance to a proper solution of the problem.

Already a million dollars has been appropriated for this type of work among young men and women—further appropriations must be found to carry on similar work among older groups. Some of this money should rightly come from Ottawa, some from provincial governments and some from industry itself.

The task is made easier by the work already done at Ottawa to "break down" the unemployment problem into its separate parts. Thus, it has been found that of 1,200,000 persons receiving direct relief in Canada in March of this year, 28 per cent were farmers or their dependents; 5 per cent were unemployable; 21 per cent, or 260,000, were employable and the remainder (46 per cent) were the dependents of the last two groups.

In respect of the farmers and their dependents, the commission found that 75 per cent of the total were resident in the prairie provinces and that about half the total were in the drought areas. In respect of the "employables" it was found that two-thirds lived in cities of 25,000 population or over; that only 4 per cent were employed by Government on special projects; that about 16.5 per cent had been placed on farms.

This and similar studies are being continued by the commission, but they are of little avail unless definite action is taken along a broad front to make sure that these various types are in fit condition both physically and technically to assume work when work becomes available.

To do this will require the spending of money but it will be money spent to save money.

Not a Constitutional Enquiry

THE broad and unrestricted enquiry authorized by the terms of reference of the royal commission on Dominion-provincial relations was perhaps essential, but success of the commission's study will depend largely on the emphasis it gives to the main job for which it was appointed.

The personnel of the commission would indicate a constitutional enquiry, but this is not so. Neither is it an economic study in the broad sense of the term. Primarily it is a financial study, and this should be kept in mind constantly not only by the commission, but by those presenting briefs to it. Its chief duties might be summarized thus:

(1) To survey the whole field of government and taxation in Canada with due consideration to overlapping and uncertainty in authority. In short, provision of a pattern for the proper reallocation of jurisdiction between the Dominion and the provinces in keeping with our federal system of government.

(2) Having determined this allotment of powers, the commission must then decide how each government can best be put in the position of functioning independently and with a minimum of adjustment in the future in respect of financial matters. This will require an estimate of the revenues required by each government and the division of taxation necessary, in order that each may accept its share of the responsibility.

In short, it is the function of the commission to determine an ideal pattern of government and taxation such as will fit into our federal system of government.

Changes recommended by the commission will probably involve amending the B.N.A. Act, but this is no concern of the commission. What Canada wants from the commission is a suggested reallocation of responsibilities and taxation as between the Dominion and the provinces such as will pave the way for efficient and economical administration.

Primarily it is not the place of the commission to determine how its recommendations are to be implemented. Thus, in arriving at its decisions, political considerations as to the possibility of securing amendments should not enter into its deliberations Canada has already had in the Duff Commission report on railways, a classic example of the futility of prescribing a formula dictated by political considerations.

On several occasions The Financial Post has emphasized that the study to be conducted by the commission is merely a starting point toward financial and constitutional reform. When the commission has made its report, it will be the duty of the Dominion Government to decide how to implement its recommendations.

Knocking Out the Props

THERE is no permanent tendency toward a shortage of purchasing power." With one brief, almost dogmatic sentence, the royal commissioners who recently enquired into the monetary and banking systems of Australia thoroughly damn the intricate argument which surrounds social credit.

For the major thesis of Major Douglas and his followers is that under existing conditions, there is a shortage of purchasing power. In other words, people cannot buy all the goods which are produced because they have not the means to do so. The Australian report, an unusually lucid outline of the problem, tackles the very pith and substance of social credit doctrine.

The commission admits an unequal distribution of income which may entail some people living on a less-than-reasonable standard of living. It even goes so far as to admit a temporary shortage of total purchasing power may exist in times of depression. But these are only secondary problems with which social credit does not profess to deal. Social credit is concerned with a permanent deficiency of purchasing power. It claims that the community never gets enough money to buy all the commodities which are produced. And to remedy this situation proposals for basic dividends and sale of consumable goods at a "just price" have been introduced.

Obviously, if the major premise of a permanent shortage of purchasing power cannot be established, the entire brief for social credit fails. Advocates of the radical money doctrine were invited to submit statistics to the Australian commission to prove their contention. They were unable to do so. And so the commission was forced to examine the case from a theoretical angle, with the famed "A plus B" theorem as the major exhibit.

Questions raised by the theorem, the commission found, resolve themselves into three.

Is there any cost of production which directly or indirectly does not become purchasing power?

Is there a shortage because purchasing power comes into the hands of the consumer at different times and some of it may be spent before the product is put on the market?

Does saving necessarily entail a shortage of purchasing power?

Detailed analysis leads members of the commission to the conclusion that sooner or later all production costs become income of a consumer, which he can spend as he chooses. In respect to the second question, it was found that while conditions of any industry may operate at times to reduce employment and production this does not prove a permanent tendency toward a purchasing power shortage. Similarly, the relation between spending and saving may materially increase or decrease purchasing power, but this is essentially a temporary effect.

Granting the primary hypothesis of social credit a very plausible case can be constructed. It is relatively simple to build convincing argument on a false foundation. It is much more difficult to refute such arguments. Far too much time and effort have been wasted in well meant attempts to tear down the superstructure of social credit when what has been necessary is an attack on the very flimsy foundation.

The chief purpose served by the Australian commission is to clarify the whole problem. Stripped of economic language, social credit, designed to counteract a shortage of purchasing power, is attempting to remedy a disease which does not exist. The whole affair resolves itself into tilting at monetary windmills.

Editorials in Brief

John L. Lewis is flirting with the third-party idea with himself as a labor candidate for the United States presidency in 1940. Meanwhile United States farm sentiment is also reported swinging away from the New Deal—not, however, to join Lewis but to get away from him.

This leads the New York Herald-Tribune to suggest that without New Deal or farm support, Lewis and his third party will be treading the path which in Marse Henry Watterson's pungent phrase leads "through a slaughter house to an open grave."

• • •

Many newspapers are lauding the campaign announcement of Premier Hepburn that Ontario will inaugurate a scheme of unemployment insurance of her own if a satisfactory plan for co-operation between the provinces and Ottawa cannot be achieved.

This sort of announcement makes good election copy but there is no reason to doubt Mr. Hepburn's sincerity in the matter.

The only wise course is to await the findings of the Rowell Royal Commission, which is specially charged with setting forth the broad lines along which not only unemployment insurance but many other important social and financial problems can be approached in Canada.

• • •

A leading Canadian economist in contributing to last week's story on the future of gold prices, suggests the following as a possible solution of the problem:

> "Regarding the vast gold deposits artificially engendered in Colorado and London, I cannot see they are doing any more harm in the ground there than a few feet deeper in Kirkland Lake.
>
> "How would it be to suggest a 'come-early' bargain sale of the unneeded stores—taking a leaf from the merchants?
>
> "Since the object is to get it well distributed, Messrs. Roosevelt and Chamberlain could announce in advance, 'Special rates to foreigners—payment taken in spaghetti, wine and women.'"

Unfortunately his reply came too late to be included in the August 28 symposium.

• • •

Constructive advice is pouring in from all sides, for the help and guidance of the Rowell Financial Commission. One noteworthy suggestion was that made last week by R. O. McCulloch, president of the Mutual Life Assurance Co. of Canada. He expressed the hope before a gathering of company representatives at Waterloo, that the commission would recommend an amalgamation of some of the provinces with a view to reducing the cost of government in this country.

• • •

There will be many who will feel the commission would be stepping outside its sphere in making such a recommendation. On the other hand, a thorough canvass of this oft-repeated suggestion would be of very great value to federal and provincial statesmen alike.

If the question is formally brought before the commission a discussion of its pros and cons might at least be included as an appendix to the main report even if the commissioners do not feel justified in including the subject in their main findings.

Sayings of the Week

"You never get anywhere in politics trying to get even."—*James A. Farley.*

• • •

"I am willing to commit a sin of excess but never a sin of deficiency."—*Benito Mussolini.*

• • •

"We must decide between a despotic world of dictators and a free press."—*Robert A. Millikan.*

• • •

"Greed for power is the only unlimited appetite."—*Chester H. Rowell in the San Francisco Chronicle.*

• • •

"In the world today we have only one choice and it is between co-operation and chaos."—*Newton D. Baker.*

• • •

"China will not only fight to the last man but to the last woman."—*Mme. O. K. Yui, wife of the mayor of Shanghai.*

• • •

"If a German artist puts too much green in his sky he is liable to be handed over to the minister of sterilization."—*Winston Churchill.*

• • •

"Great government requires a team of great leaders and not one genius surrounded by a pack of second-rate sycophants."—*Hugh S. Johnson.*

• • •

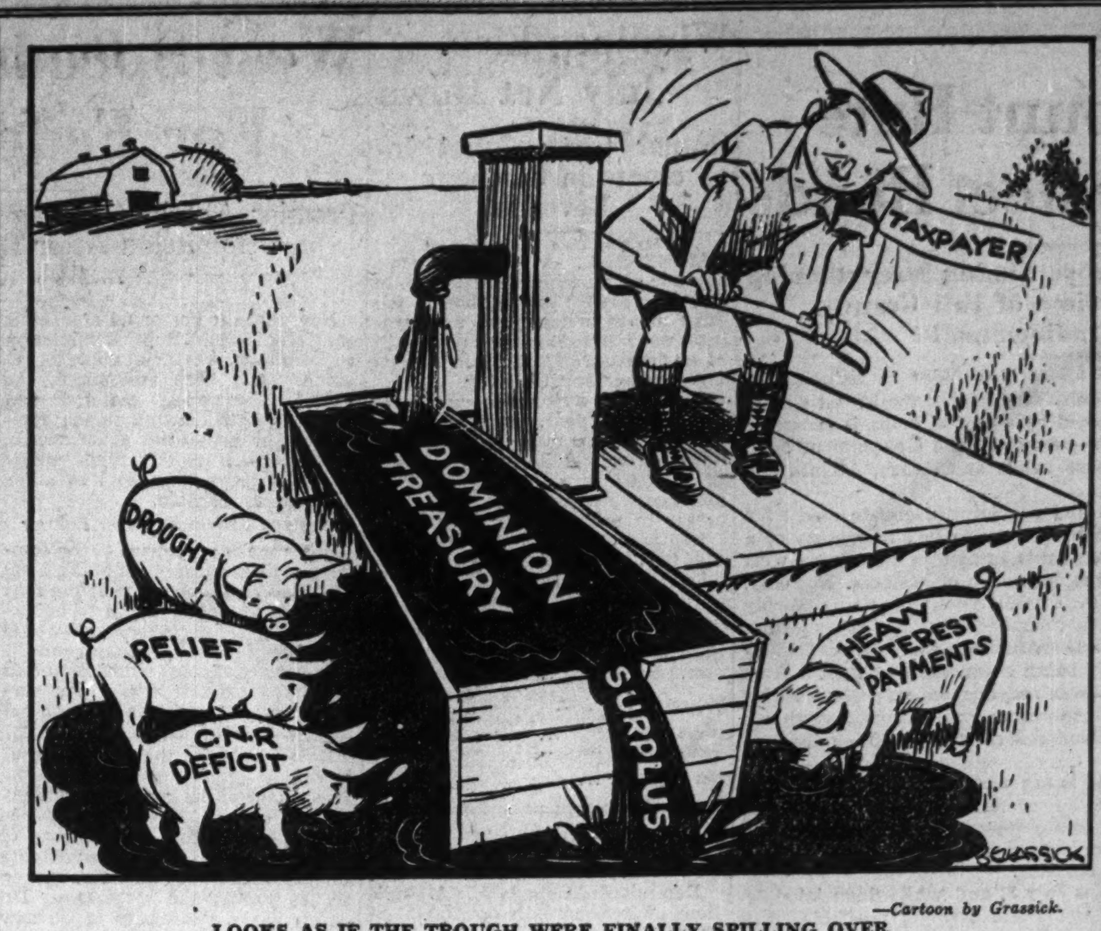
"International relations are guided, not by the form of government, but by the manner in which governments observe their undertakings."—*Anthony Eden.*

• • •

"I do not believe there is any more earnest desire for peace than among those Europeans who are so effectively preparing for war."—*Col. George Drew.*

• • •

"Modern diplomacy is still pursued as if it were the private business of the diplomats rather than the common concern of the people."—*J. K. Bradley, president, Young Republican Federation.*



—Cartoon by Grassick.

LOOKS AS IF THE TROUGH WERE FINALLY SPILLING OVER

New Books

The "Guggies" Strike it Rich

THE GUGGENHEIM'S. By Harvey O'Connor. Published by George J. McLeod, Toronto. Price $3.50.

In Canada, the Guggenheim's have been or are represented by such names as Premier, Yukon Consolidated, Nipissing. They have put money into Canada and they have taken money out of it. But Canada never brought to the "Guggies" the easy millions that poured into their treasury from Idaho, California, Utah, Colorado, Nevada, Mexico and Chile. First in silver, then in copper, the Guggenheims became the greatest mining group in the United States and, with the aid of such notable and picturesque figures as John Hays Hammond, Bernard Baruch, Samuel Untermeyer and William Boyce Thompson, they created a financial dynasty of great financial strength and corporate influence. How a penniless Jewish pedlar from Swtizerland founded the dynasty and reared a double fistful of sons and daughters to expand it into amazing proportions is the theme of Harvey O'Connor's epic biography.

Old Meyer Guggenheim rankled under oppression and exploitation in Switzerland. He migrated to America with his wife and started as a pack pedlar in Philadelphia. Aided—as they grew up—by his sons, of whom there were seven in all, in addition to three daughters, he expanded into petticoat lace, groceries, shoe polish and other knickknacks. Soon he had the vision of making the family worth a million dollars. But it was mining that made him see that he could do more; that he could make each of the children worth a million or more. He advanced money for a silver mining speculation. It turned out to be the richest silver strike in the Rockies. A smelter followed the mine and then more mines followed the smelter.

A Closed Partnership

In the early years the Guggenheims admitted no outsiders. They found all the money needed for their enterprises and took all the big jobs. Later their enterprises grew beyond the finances and the abilities of the family. Shrewdly, they hired John Hays Hammond, after he had paid his fine and escaped from Oom Paul Kruger's death cell. The salary was $250,000 a year plus a bonus of a quarter interest in all new mines he recommended. Hammond made over a million a year out of the contract. He found them many big mines, but he also made many bad mistakes. The darkest episode in his career was the recommendation regarding Nipissing that boomed the shares from a few dollars to over $45, from which point they collapsed. The "Guggies" abandoned Nipissing, but others made a success of the mine. The silver sidewalk of Cobalt had fooled the greatest engineer of them all.

They Discover Promoting

As they advanced in power and prestige the Guggenheim's learned the ways of promotional finance. They hired the smartest Jewish lawyers and the trickiest Wall Street operators of the pre-war, pre-S.E.C. days to help them drum up money. Their technique was simple. Buy a property at whatever cost it was necessary to pay. Sell bonds to the public to get back every cent put into the property plus a profit. Then raise development capital by letting the public in on a small portion of the total stock issue sold to them at high prices. On the whole, the public made money playing along with the Guggenheim's, but they were also the victims of many a smart promotional coup. Mr. O'Connor has dug deeply into many of these and tells about them baldly and with a minimum of rancour.

There were several good showmen among the Guggenheim sons. Simon bought a U. S. senatorship in Colorado by open bribery and excused his actions on the ground that he was just doing what everyone else did. Dan, the bluff, hearty, shrewd head of the partnership had a unique way of meeting criticisms of the company's labor policies. When there was trouble among his miners he always came out with an advanced labor policy for the nation—not for his mines, but for the country as a whole—a policy two or three decades ahead of its time. Eventually, the Guggenheim's applied many progressive ideas to their industrial relations, having come a long way from old Meyer's insistence that a laborer was worth as little as you could force him to take for a 12-hour day.

Twilight of the "Guggies"

Now the third generation of Guggenheim's is in the saddle and the fourth is beginning to toddle. Guggenheim money is being poured into "foundations" for music, education, art, etc., not with the precise planning of the Rockefeller and the Carnegie wealth but haphazardly and sometimes with a bizarre emphasis upon abstract values. Mr. O'Connor makes clear his opinion that the line is washed out; that the Swiss Family Guggenheim has already reached the twilight if not the shirt-sleeve stage.

There is plenty of raw material here for Share-the-Wealth and Down-With-Capitalism agitators. Mr. O'Connor has apparently attempted to draw a balance between Alger-like admiration for the achievements of old Meyer and his sons and left-wing criticism of some of the trickier methods by which certain of Guggenheim success was achieved. Some of the chapters sit on the stool of sentimental appraisal; others on the stool of muck-raking. The volume as a whole falls between the two. But the story itself is a rich and colorful one and will have a particular interest to every mining technician and penny speculator who would like to read the inside story of how some of the world's richest mines were found and exploited.

Finance Day by Day

WORLD FINANCE, 1935-1937. By Paul Einzig. Published by the MacMillan Co. of Canada, Toronto. Price $3.50.

Dr. Einzig took one book to tell the story of world finance from 1914 to 1935. But so much has happened in the past two years that he requires a whole volume to record and interpret the events that have passed.

The major event of the intervening period has been the reversal by France of its policy of rigid deflation. This has permitted the establishment of the Tri-partite Monetary Agreement and a measure of co-operative reflation among the leading nations.

All of these developments, plus the finance of rearmament, the gold scare, and the meagre efforts that have been made at stabilization are traced, thoroughly, critically and almost laboriously by the indefatigable Lombard Street columnist.

The theme song of the study is an argument against monetary orthodoxy and a plea to governments to permit currencies to find "a level at which even the increased expenditures and the increased public debt is not unbearable." Dr. Einzig invites a consideration of the record by those interested primarily in politics as the relationship of political developments to monetary policy is unquestionable close.

Great and Near Great

WHO'S WHO IN CANADA. Edited by B. M. Greene. Published by the International Press, Toronto. Price $10.

There are enough Canadians of "Who's Who" importance to fill 1,632 pages in this volume. Alphabetically speaking they range from Percy W. Abbott, K.C. to E. Fenwick Zwicker. B. M. Greene, the editor of "Who's Who in Canada," has indefatigably covered Canada from coast to coast and there are few men and women of importance or achiemement who are not included.

Several variations on the theme of contemporary biography appear at more or less regular intervals in Canada but the only one that has been appearing consistently for a quarter of a century is this volume and it is now accepted as our one authoritative reference book in its field. There is probably not a newspaper library of any standing in Canada that does not have it on its shelf while for those business and professional men who have occasion to look up salient facts in the careers of public men and women it is equally invaluable.

Canada Year Book

CANADA YEAR BOOK, 1937—Published by The King's Printer, Ottawa. Price $1.50.

Among important new features in this standard reference book is an entirely new chapter on currency and banking and a special article on "The Bank of Canada and its relationship to the Canadian financial system." Another feature is a summary of the federal tax system in condensed tabular form.

The chapter on Transportation and Communication has been entirely recast and includes this year a section on "The Press." A new set-up has been achieved to conform with the new departments of Transport and of Mines and Resources recently created at Ottawa. Another feature of the book is a considerable amount of new census material including figures from the quinquennial census on agriculture.

The book contains some 30 chapters and over 1,100 pages. In addition to the regular edition, a small number of paper-bound copies for ministers, students and teachers are obtainable at 50 cents each.

StopMe If You've Heard This One . .

Baby Ear of Corn: "Mama, where did I come from?"

Mama Ear of Corn: "Hush, dear; the stalk brought you."

As Others See Us . . . .

Rigmarole

St. John's, Nfld., News

A Financial Post editorial on the Alberta bank legislation is prefaced by this quotation: ". . . as has been the case in our sister one-time democratic state—the Father Province of us all—Newfoundland." As The Post well says: "The phrase quoted above may well remain a classic of moonstruck politics for some generations. But the Sister State that was the Father Province of us all does not stand alone in this piece of serio-comic irrationality."

The quotation used by The Post is evidently taken from a speech of Mr. Aberhart's which we seem to have missed. If, however, the Premier of Alberta is as ignorant of finance as he appears to be of British North American history, to say nothing of the King's English, it is not surprising that his legislative antics have aroused the righteous indignation of the rest of Canada.

The Enlargement Racket

Barrie Examiner

Last week we commended the Better Business Bureau for the work it is doing to check racketeers and warn the public against fraudulent schemes. Excellent work in exposing rackets of various kinds is also being done by The Financial Post. The most recent fraud to receive its attention is the photograph and enlargement framing racket. Operations of this kind have been carried on from coast to coast and thousands of dollars have been taken from the pockets of the unwary who fell for the high pressure methods of these peripatetic racketeers. It was reported not long since that a number of Alliston people had been victimized by some travelling photographers. When people are approached by any such racketeers as described by The Post, they can do the public a good turn by immediately advising the police. Co-operation of this kind would soon make a big reduction in the number of racketeers and swindlers operating throughout the country.

Will the World Listen?

Winnipeg Free Press

In 1928 Sir George Paish told an audience in Winnipeg that within five years there would be a world-wide business collapse if the countries of the world did not stop their "beggar-my-neighbor" policies and enter upon an era of freer trade and friendly co-operation. The world was then in the full tide of apparent prosperity and he was laughed at as a pessimist. Sir George is now declaring that the world situation is one of unprecedented danger. Unprecedented is a word with a very definite meaning and undoubtedly it is employed by Sir George in its complete sense. But will Sir George be listened to with any more attention than was paid him in 1928? Probably not; the world will doubtless prefer to listen to the official optimists of the various governments who look upon the handiwork of their policies and declare that it is very good and a guarantee of future peace and prosperity.

Other People's Views . . . .

Quality for Consumer

Canadian Textile Journal

The present-day conception of production and merchandising is to get more and more value into the consumer dollar and to protect the consumer as much as humanly possible against misrepresentation of merchandise and malpractices in production and distribution. There is a host of legislation aiming at that result. But the matter lies chiefly in the adoption and adaptation of modern merchandising methods, which is just what is taking place throughout the textile industries.

The latest development in this country along these lines is the "Courtaulds Quality Control Plan" just announced. The primary aim, of course, is to promote the sale of rayon materials. But there is a much broader aspect. Not only should the entire textile industry in Canada benefit by the carrying out of this widespread consumer campaign of education and publicity, but the consumer will gain measurably in having a better knowledge of rayon merchandise and both converters and retailers will benefit through whatever measure of quality control is developed. The scheme is co-operative in every degree and has already been worked out with astonishing success in the United States, demonstrating the pronounced degree in which all the varying interests concerned in this widespread section of the industry can be served beneficially by sound administrative control methods in production and merchandising.

In the Mail . .

Explaining Mr. Aberhart

Editor, The Financial Post:

I wonder why you write editorials such as that in your issue of Aug. 14?

Do you imagine that it helps the situation in Alberta?

If you were close enough to the problem you would realize that each article such as "Moon over Alberta" is fuel to the fires of radical imagination.

I am personally opposed to Social Credit but, as I see the situation, Aberhart would more than probably be re-elected if he were to call an election shortly.

Alberta will have an agricultural income of around $175,000,000 in 1937 from sales of farm products so it is not extreme poverty alone which causes people to support Aberhart.

Aberhart is the head of a young group of radical thinkers such as Low, Maynard, and Manning.

I enclose a clipping from the Calgary Herald which should also help you to understand our problems.

About the only compromise I can see is to let Alberta have a state bank under Federal law and let Aberhart try out his Social Credit ideas.

You know we have not had a sensible government in Alberta since 1921, and even before 1921 it was a Liberal machine, which has today the same old earmarks under the direction of the Hon. James Gardiner.

I am in entire accord with Norman McLeod who wrote the article on Mr. Bennett in the Aug. 14 issue. Fascism is well on its way in Alberta. Aberhart is a dangerous man. When I listen to thousands who either enthusiastically acclaim him or support him, I wonder where we in Canada are going.

STANLEY J. DAVIES,
Calgary.

Editor's Note: The clipping enclosed by Mr. Davies quotes "Observer" in the Calgary Herald as saying that had the financial institutions of this country been "less blind" the rise of Aberhart, "the modern Moses," and "the trek of the people across the wilderness to the mythical land of social credit" would not have started.

An Investor in Alberta

Editor, The Financial Post:

I am very pleased with your aggressive stand on the Alberta scandal and other questions where vigorous and fearless criticism is needed.

A large number of Alberta farmers are in very straitened circumstances and deeply in debt so that any wild-cat scheme that promises relief is grabbed at. They are not particular as to the morality or justice of the plan so long as they are absolved from their obligations and are promised better times.

Mr. Aberhart has a very big mouth. He is on the air every Sunday with his glad promises and sanctimonious paternalism and solicitude for his followers' welfare. He would steal other people's money and distribute it to them (for votes) but I have never read that he has offered to share his $10,000 salary with them. If Alberta would cut all government officials salaries in two and live within its means it could get out.

So long as he can hold their attention and be their Moses—their sole preceptor and advisor—his deluded audience will know no better than to follow. What they need is disillusionment from the sophistry and hypnotism of his balmy air, and instruction and advice on sound finance and government.

I mail a few copies of The Financial Post to my personal friends in Alberta every week. If every one who is interested in cleaning up this rotten mess in Alberta would do the same it would have far-reaching results. The Post is a paper that does not reach these people. If some means can be found to bring The Post and sound financial teaching to the farmers of Alberta, Mr. Aberhart's silly stuff would soon be taken for what it is worth.

JUNIUS, Jr.,
Hamilton.

The Gold Boom

Editor, The Financial Post:

In your editorial "Bogey Back on Shelf" you seem to feel that the best of gold boom is over.

I would suggest that perhaps the biggest part of it is still to come in Canada and South Africa particularly, for the following reasons.

In the Dec. 27, 1932 issue of the "Financial Times," London, it was stated, "It has been estimated by competent gold mining authorities that if South Africa followed sterling (off the gold standard)—the output of the existing mines alone would increase by £221,000,000"—or 275% in production in ounces yearly.

Since they went off the gold standard they have actually had a decrease of 219,121 ounces due to taxation which has been described by their former Minister of Mines and acting Minister of Finance, the Hon. Patrick Duncan, as "pin-pricking" and "plundering."

Australia, which along with all their gold producing States removed all income tax on the mine as well as on dividends from gold stocks, has reached nearly 150% increase in yearly production in ounces since they went off the gold standard.

Canada, which along with all the provinces has to a great extent followed South Africa's taxation ideas, has reached only 33% increase since they were forced off the gold standard by excessive borrowing abroad, and all of that increase and more has come since, and as a direct result of, the present Government's policy of removing all taxation from new producers for three years. The largest old producers practically all show a reduction in ounce production, and it is from these the large expansion should be expected.

If and when taxation is levied on a realistic basis we can have such a boom in gold production and gold stocks as we have not seen yet.

I would again draw to your attention that there can be no such thing as overproduction of gold, and also that it will not raise commodity prices only to the extent it causes a migration of people to the gold fields world-wide.

It is the wild inflation of paper that seems to raise commodity prices, but the rise is merely reflecting the rottenness of the currency.

Further, the only way to avoid wild inflation is to either curb Government expenditures or increase gold production or both, but certainly increased gold production cannot do the harm you seem to fear.

R. P. ROBERTS,
Vancouver, B.C.

Week in Business

U.K. Trade Agreement Protects Big Export

Formal Inauguration of Pact Focusses Attention on Huge Market — Business Maintains High Level Despite Wheat Failure

Formal coming into effect of the trade treaty between the United Kingdom and Canada this week should cause no dislocation to Canadian business because practically the whole agreement has been actually operating since the budget last February. The recent announcement is largely a formality and affects only a few items on which the British duty was to be lowered.

The statement, however, focuses attention on Canada's exports to the Old Land, which for the year ended June 30 were valued at well over $400 millions. The new trade agreement is generally viewed as giving a practical guarantee of this extensive and valuable business for at least the next three years.

• • •

It is significant that the end of the great depression only came into view when exports to Great Britain suddenly started to become valuable during the latter half of 1933. It is even more significant that hogs, the raw material for Canada's big bacon export to Great Britain, gave farmers their one source of profitable revenue during the worst of the depression.

That bacon trade and also preferred treatment for lumber, canned goods, fruit, dairy products and cattle is guaranteed under the new agreement.

It is true that Canada in return has given Great Britain trade concessions in textiles, steel and a considerable list of manufactured goods but these have been carefully selected with the view to giving the least competition to Canadian industries, and so far appear to have caused little dislocation. Moreover, during the present feverish rearmament programme in the British Isles it is doubtful whether Old Country manufacturers have much opportunity for pushing sales in Canada, which permits industry here further opportunity for preparing for any extensive inflow later on.

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Canada's expanding foreign trade in the last year, particularly to Great Britain and United States, has done much to maintain recovery's steady progress. This expansion, moreover, has been carried on in the face of repeated wheat failures and dwindling exports in that one time outstanding market. Increased shipments of lumber, canned and other food products, metals, newsprint and manufactured goods have more than taken up the slump in wheat. It is such development plus an expanding tourist trade that constitutes the main prop of the present high level of general Canadian business.

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Perhaps because there has been no recent upward surge in that business level there is apt to be some discouragement voiced, pessimists forgetting that volume of goods handled today is the best since 1929 and in some lines easily surpasses that bumper year.

Business Indicators

Carloadings — Carloading continues to increase but the gain is entirely due to more loadings in eastern Canada where practically all items running above last year. In the western divisions slacker wheat grain movement loadings have reduced total slightly under year ago.

Railways—Gross revenue C.N.R. for week is higher but some decline in that of C.P.R. due to wheat failure in southern Prairies where Canadian Pacific has most branch lines. Net revenue for both railways for July and cumulative to that month substantially above 1936.

Construction—August figures up 15% from same month last year. Gains largely due to continuance of residential building and engineering projects in Quebec and Ontario.

Automobiles—Production, sales and financing figures all running ahead of corresponding period in 1936. Sales of all types of vehicles higher including the more expensive makes.

Other favorable factors include larger newsprint exports and total exports, more gold production and higher electrical output.

Cotton imports up sharply in June and for first half of year in anticipation of better fall and winter trade in finished goods and also because of possibly higher raw material prices later in year.

Current trend in Canadian business is shown by The Financial Post's index of business activity, with new figures for the week marked.

	Latest 1937	Latest 1936	Jan. 1 to date 1937	Jan. 1 to date 1936
Transportation—				
Car loadings, week (Aug. 21)	▲54,761	50,368	1,589,051	1,449,987
C.N.R. gr. earn., wk. (Aug. 21)	$ ▲3,668,070	$ 3,555,412	$ 122,420,763	$ 107,579,716
C.P.R. gr. earn., wk. (Aug. 21)	$ ▲2,562,000	$ 2,602,000	$ 86,500,000	$ 81,017,000
C.P.R. net revenue (July)	$ ▲1,095,460	$ 979,099	$ 9,355,614	$ 7,770,100
C.N.R. net revenue (July)	$ ▲958,899	$ 87,204	$ 7,626,847	$ 2,562,243
Business Conditions—				
Weekly index D.B.S. (Aug. 21)	▲114.7	114.4	......	......
Financial Post index (July)	123.8	110.3	......	......
Iron and Steel (July)—				
Pig iron production (tons)	79,736	34,988	503,678	375,323
Steel ingots and castings prod. (tons)	122,968	68,793	836,145	647,493
Automobiles (Number)—				
Passenger Cars:				
Domestic sales* (July)	▲8,643	6,596	86,995	68,461
Factory output (July)	▲12,513	8,192	110,076	94,556
Trucks and Buses:				
Domestic sales* (July)	▲3,058	1,690	21,462	15,205
Factory output (July)	▲5,428	2,283	36,436	21,867
Exports (July)	▲8,127	4,561	42,614	36,814
Financing (July):				
Used	$ ▲3,917,629	$ 2,696,934	$ 23,023,973	$ 16,489,981
New	$ ▲4,398,290	$ 3,074,640	$ 28,004,074	$ 20,631,549
Construction—				
Cons. contracts (Aug.)	$ ▲24,830,800	$ 15,536,100	$ 156,691,900	$ 111,113,100
Production (May)—				
Cement, bbls.	557,294	418,839	1,337,323	1,070,620
Gypsum, tons	113,570	76,634	215,930	129,734
Clay	$ 379,967	$ 306,825	$ 1,110,631	$ 916,700
Agriculture—				
Flour prod., bbls. (June)	1,000,879	1,148,810	6,059,599	6,527,359
Flour exp., bbls. (July)	334,964	444,905	2,411,671	2,736,076
Wheat exp. bus. (July)	8,602,689	25,912,508	52,326,724	120,509,064
Cattle sales (June)	69,931	64,835	365,453	393,850
Hog sales (June)	83,935	79,042	523,811	458,245
Newsprint (tons)—				
Production (July)	314,529	274,627	2,097,290	1,763,890
Exports, tons (July)	▲305,163	234,049	1,936,745	1,594,343
Mining—				
Coal prod., tons (June)	▲1,063,865	1,037,700	6,994,251	6,885,469
Coal imports, tons (June)	▲1,944,920	1,683,704	6,247,936	5,026,228
Gold prod., fine oz. (June)	▲344,895	316,670	1,973,251	1,767,509
Nickel prod., lb. (May)	18,462,389	11,815,188	90,426,601	68,704,668
Copper prod., lb. (June)	42,549,292	31,421,070	243,604,966	205,637,311
Employment D.B.S. Index (July 1)—				
All industries	119.1	104.6	......	......
Manufacturing	119.0	104.7	......	......
Electric Power Output (July):				
Total monthly m.k.h.†	▲2,188,055	2,021,147	15,944,187	14,463,233
Trade (June)—				
Retail trade (index no. of sales)	80.5	73.4	......	......
Wholesale trade	12.1	......	......	......
Dept. store sales	81.5	75.7	......	......
C'try gen. store sales	8.6	......	......	......
Imports (July)	$ ▲71,995,940	$ 53,820,904	$ 452,811,629	$ 347,625,647
Exports (July)	$ ▲100,142,396	$ 84,968,284	$ 625,949,871	$ 509,514,235
Other Industrial Factors—				
Dressed lumber, exp.:				
M. bd. ft. (July)	171,241	153,897	1,033,875	877,945
Boot & shoe prod., pr. (June)	2,226,062	1,721,182	12,483,211	11,042,084
Crude petrol., imp. gal. (June)	▲157,528,327	153,620,000	504,122,984	477,449,524
Cotton imports, lb. (June)	▲13,342,249	7,415,651	80,070,608	69,619,684
Raw rubber imp., lb. (June)	8,488,643	4,574,180	33,231,412	24,211,377
Cigarette cons. (June) No.†	628,742	506,108	3,055,859	2,472,515
Sugar (lb.)—				
Melting & ship.§ (raw)	69,052,155	98,485,337	354,236,972	401,619,890
Manufactured§	67,278,417	94,693,262	342,788,138	387,079,548
Finance—				
Bank debits (July)†	$ ▲2,720,738	$ 2,893,658	$ 20,906,745	$ 20,140,510
Bond sales (July)	$ 109,639,875	$ 68,385,553	$ 810,912,565	$ 822,627,040
Life insurance (July)	$ 32,364,000	$ 31,396,000	$ 225,100,000	$ 212,663,000

*D.B.S. All-Canada figure comprising over 90% of the Canadian total.
†000's omitted. §For 4 weeks to July 17.
▲Percentage increase over last year.

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Car Sales Up Nearly 30%

Not only are Canadians buying more cars this year but they also appear to be buying more expensive cars.

Total new car registrations for the first seven months was well over 62,000 as compared with under 48,000 units for the corresponding period in 1936. This represents a gain of almost 30%. It is also considered significant, however, that while total sales of the lowest priced models by the big three in the motor world gained 20% there were even larger proportionate increases in the more expensive lines.

Dodge, for instance, jumped from approximately 6,000 units a year ago to over 10,000 in the first seven months of 1937. Pontiac in the same period more than doubled its sale and in Oldsmobile, Chrysler and Buick there were all substantial gains. Of the independents Lafayette, a product of Nash, multiplied last year's sales to the end of July by more than five times this season.

Figures in detail as tabulated by Canadian Automotive Trade are as follows:

New Passenger Car Registration
(In Eastern Canada)
Leading Models

	July 1937	July 1936	Year to Date 1937	Year to Date 1936
Chevrolet	1,994	1,710	13,645	13,856
Ford	1,671	1,383	13,681	11,585
Dodge	1,245	689	10,084	6,172
Plymouth	1,175	666	8,819	5,592
Pontiac	590	235	4,122	1,827
Oldsmobile	427	328	3,624	3,203
McL.-Buick	386	179	2,630	2,072
Terraplane	275	163	1,892	1,492
Chrysler	251	157	2,451	1,644
Lafayette	239	38	1,543	275
	8,253	5,548	62,491	47,718

Foreign Business

United States Department of Commerce reviews foreign business as follows:

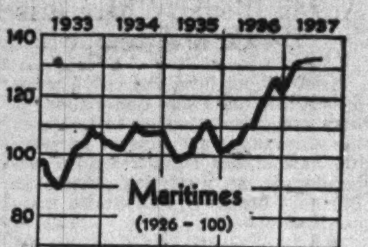
France—Industry receded somewhat during July and August but production remained more active than last year and confidence for the autumn strengthened; efforts to balance the budget are concentrated on raising taxation rather than reducing expenditures.

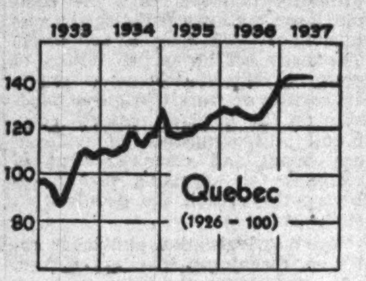
Germany — Exports during July rose to the year's high and imports contracted slightly; for seven months both exports and imports are above last year's level, with the favorable balance larger.

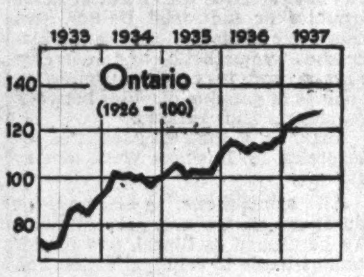
Japan—Up to August 9, outward calm prevailed in finance and general business, but more rigid State control over trade has been introduced and heavier national bond issues emitted.

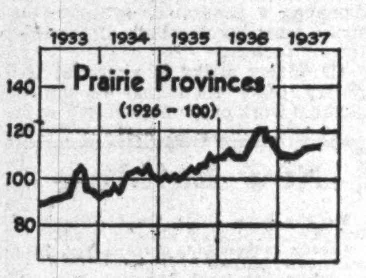
China — Business and industry have reached a complete standstill at Shanghai, the disruption in trade and industry being the most far-reaching in its history.

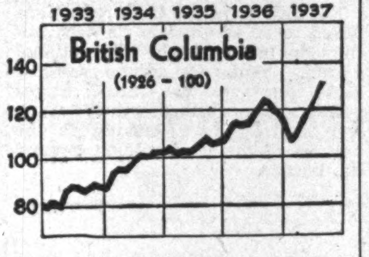
Summer Business Holds at Satisfactory Levels











Trend of Business in Five Economic Areas

	July, 1937	Change from July, 1936
Maritimes:		
Construction contracts $	1,140,000	—5.9
Building permits $	519,000	+170.3
Life insur. sales .. $ 000	2,538	+12.2
Bank debits ... $ 000,000	60.0	+10.9
Electric pwr. 000 kw.h.	76,892	+6.3
Employment 1926 = 100	134.3	+17.9
Tonnage of vessels cleared	414,330	+9.6
Exports $	6,769,560	+17.7
Index	132.6	+13.2
Quebec:		
Construction contracts $	7,280,000	+155.1
Building permits $	916,000	—47.1
Life insur. sales .. $ 000	8,636	+1.7
Bank debits ... $ 000,000	918	+7.1
Electric pwr. kw.h. 000	1,089,653	+6.0
Employment 1926 = 100	120.8	+19.2
Newsprint produc., tons	314,529	+14.5
Index	142.1	+13.4
Ontario:		
Construction contracts $	7,687,000	—33.2
Building permits $	2,765,000	+23.1
Life insur. sales .. $ 000	14,123	+4.7
Bank debits ... $ 000,000	1,178	—3.7
Electric pwr. kw.h. 000	725,288	+14.0
Employment 1926 = 100	122.2	+14.1
Livestock slaughterings 1926 = 100	149.6	+6.0
Steel production .. tons	122,968	+78.8
Auto. production .. No.	17,941	+71.3
Index	126.6	+12.7
Prairie Provinces:		
Construction contracts $	3,210,000	+80.5
Building permits $	564,000	+50.0
Life insur. sales .. $ 000	4,055	—8.0
Bank debits ... $ 000,000	394	—31.4
Electric pwr. kw.h. 000	144,834	+7.7
Employment 1926 = 100	105.6	+1.6
Wheat receipts .. bush.	3,357,000	—16.1
Wheat prices	*145/5	+55.7
Index	112.8	—0—
British Columbia:		
Construction contracts $	2,169,000	+316.3
Building permits $	633,000	+30.5
Life insur. sales .. $ 000	2,691	+8.0
Bank debits ... $ 000,000	170.4	—8.1
Electric pwr. kw.h. 000	151,388	+1.1
Employment 1926 = 100	116.9	+8.3
Exports $	11,637,509	+4.8
Index	127.8	+8.2

*Cents and eighths of a cent per bush.

Summer business in Canada is being maintained at the best level since before the depression. During July small gains were reported in British Columbia and Ontario and minor recessions in the other areas. Net change, however, was insignificant and insufficient, as accompanying charts show, to affect the general trend materially. Aside from the Prairie Provinces, where repeated wheat failures still prevent any major recovery, business has been moving forward steadily everywhere else and ground lost last fall and winter in British Columbia has been more than regained.

In spite of the steadiness of the general level, however, business factors were quite uneven in July as compared with the preceding month. The employment index, after seasonal adjustment, recorded gains in the three eastern areas. Shoe factories and paper mills were more active in Quebec, while minor recessions were shown in meat packing and steel production in Ontario. Gain was recorded in automobile production after seasonal adjustment. The latter industry is located entirely in Ontario. Wheat prices showed gain in the Prairie Provinces but general factors were mainly unfavorable.

Background of Business

Auto Price Advances

Graham-Paige joins the growing list of automobile manufacturers by announcing price increases of from $25 to $50 per car, effective Sept. 15. Since the beginning of August, similar increases have been announced, some effective only in the United States and some applying to Canada as well, by Ford, General Motors, and Hudson. The balance of "undeclared" manufacturers is believed to be waiting until their new models are introduced this fall.

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Automobile Production

Production of all types of motor vehicles in Canada for the first seven months of the current year is more than 30,000 units ahead of the same period in 1936. Production for the whole year promises to run close to 200,000 vehicles as compared with slightly over 162,000 a year ago. Only in strike-beset April was there any falling off from any month a year ago and the loss then was quickly made up in May and June. July with almost 18,000 units exceeded the same month a year ago by over 7,000 vehicles and was only beaten in 1936 by March, April, May and December.

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U. S. Employment Higher

While official estimates still place the number of unemployed in the United States at slightly over six million for the first half of 1937, the total employment is now reported at very close to the 1929 level. In manufacturing it is believed there are actually more workers employed than during the boom period of eight years ago although several individual industries are lagging. Chief of these are mining, forestry and fishing and construction.

Agriculture is credited with employing approximately a million more workers than in 1929, but undoubtedly this increase represents to some extent a return to the farm by city workers unable to find employment elsewhere. In trade, distribution and financial lines more workers are employed today than in 1929, and the same is true to a lesser extent of the so-called service industries. Miscellaneous groupings, which would probably include new industries to arise since the depression but still not large enough to warrant special classification are likewise up.

Unofficial figures as published by Inland Printer of Chicago are as follows:

U. S. Employment
(000's omitted)

	1929 Aver.	1936 June	1937 June*
Agriculture	10,650	11,339	11,610
Forestry & fishing	268	192	202
Total industry	18,582	15,299	16,879
Mining	1,087	718	768
Manufacturing	11,071	10,435	11,573
Construction	2,841	1,404	1,575
Transportation	2,416	1,826	1,992
Public utilities	1,167	917	971
Trade, distribution and finance	7,325	7,049	7,542
Service	9,160	8,852	9,252
Miscellaneous	1,383	1,337	1,425
Total	47,368	44,067	46,910

*Preliminary.

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B. C. Payrolls Up

An increase of 40% in industrial payrolls since the depression low of 1933 has been recorded by British Columbia.

This is the most impressive fact brought out in a survey of the province's industry by Adam Bell, deputy minister of labor. His review of the payrolls last year gives a comprehensive insight into the measure of British Columbia's industrial recovery.

The total payroll last year was $142,349,591, an increase of more than $16,500,000 over 1935. With the industrial pace quickened this year as a result of expanding markets for B. C. products it is probable that 1937 will show further advance.

The average number of wage earners continued to increase last year. In January, 1936, there were 60,656 wage earners; in September, 81,203.

Lumbering headed the list of industries showing increased payrolls with a jump of $5,446,047 due largely to the record sales of lumber overseas, especially in the British and dominion markets. Contracting was second with a gain of $1,359,909, indicating the comeback of construction operations.

Canadian Trade Up With South America

From Our Own Correspondent

OTTAWA. — Preliminary figures for the year ended June 30 last which the Department of Trade and Commerce has just published reveal Canadian traders as having encountered tangible success in efforts to cultivate South American commerce.

Imports from Argentina for the 12 months amounted to $12,128,000, an increase of 219.2%.

Canada's purchases from Brazil for the period were up 3.1% at $863,000, while sales were 2.7% higher at $3,959,000—an increase of 37.3% over 1935.

Colombian imports dropped 4.8% to $4,266,000. Exports, however, increased by 55.5%

Imports from Peru soared 21% to $5,273,000, while exports to that country rose 5% to $1,150,000

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10. Make you a better speaker, a more entertaining conversationalist.
11. Make the principle of psychology easy for you to apply in your daily contacts.
12. Help you to arouse enthusiasm among your associates.

This 340-page book will be mailed promptly postpaid to any address in Canada upon receipt of cheque, postal or money order for $2.00. Send order today to Business Book Company, 481 University Avenue, Toronto, Ontario.

Farm Buying Up For United States

Moderate Advances Also Expected in Canada

Total United States farm income this year is estimated by Washington at approximately $9 billions. This is slightly more than double the low return of 1932 and from three to four billions ahead of the average annual return during the period 1931-1934. It is, however, a little over a billion lower than the average return from 1924 to 1929. The current year will be the fifth in succession in which returns to the United States farmer have increased.

The Canadian farmers' revenue in this year will show a similar trend but due to wheat failure over a large part of the West, a failure in which United States farmers did not participate, there will be nothing like the American gain, although a moderate advance, due to increased prices per unit and improvement of other crops than wheat, would seem certain.

Bankruptcies

The Canada Gazette announces meetings of the creditors in the matter of:

Hunt, G.M., Prince Rupert, B.C.
Wharington, H. & J., Leroy, Sask.
Neilson, A., London, Ont.
Bradley & Desjardins, Hull, P.Q.
Canadian Financial Bureau Corp., Montreal.
Montreal Upholstering Co., Ltd., Montreal.
L'Eclaireur de Montreal Inc., Montreal.
Maheu, X., Montreal.
Lunan, H. S., Sorel.
Segal, J. & B., Schwartz, Montreal.
Consolidated Traders Corp. Ltd., Montreal.
Foisy, J., Twp. of Hull.
Auger, F. X., Quebec.
Forestell, H. P., Saint John, N.B.

St. Simeon, Que.—Quebec municipal commission has informed creditors of the village of St. Simeon, Charlevoix county, Quebec, that bond interest due July 1, 1937, on bonds issued under by-law No. 9 is now being paid.

1889—1937
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YOU, MR. TAXPAYER
ARE THE VICTIM OF
Hepburn's Forty Million Dollar
Increased Taxation
And Hundred Million Dollar
Increased Public Debt

Hepburn Promise No. 1
"Mr. Hepburn promised lower taxation if returned to office"—Toronto Globe, May 10, 1934, reporting Hon. Mr. Hepburn's speech at Pembroke on May 9, 1934.

Hepburn Failure
Total Hepburn Taxes, Year Ending March, 1937 (*see Budget address, page 11*) $ 92,211,809.51
Total Taxes for 1933, under Conservative Government............ 51,373,000.00
HEPBURN TAX INCREASE $ 40,838,809.51 ★
In other words, an increase in taxation under the Hepburn administration of 79½%.

Hepburn Promise No. 2
"The Liberals if returned to power will peg the debt at its present level."—Hon. Mr. Hepburn at Orillia, May 26, 1934, as reported in the Orillia Packet & Times, May 31, 1934.

Hepburn Failure
Amount of provincial debt March 31, 1937—(*see Budget address, page 25*) $656,611,588.57
Amount of provincial debt when Hepburn assumed office July 1, 1934 —(*Ontario Votes and Proceedings 1935, page 449*)...................... 614,392,324.72
ADMITTED HEPBURN DEBT INCREASE $ 42,219,263.85
Add amount by which Hydro assets were raided by tapping the Hydro till—(*see page 148, Public Accounts Committee*).......................... 33,598,107.71
Add gigantic pre-election programme commitments covering roads, bridges, mental hospitals and other Public Works (estimated at least).. $ 25,000,000.00
ACTUAL HEPBURN DEBT INCREASE $100,817,371.56 ★

Or a debt increase for every working day under the Hepburn administration of over $100.000.

Mr. and Mrs. Taxpayer—Will you let this reckless maladministration continue? You Pay the Bill. You are the victims.

YOU CAN TRUST ROWE
VOTE CONSERVATIVE

**This is the first in a series disclosing Hepburn's record of broken promises.*

Issued by Campaign Committee of
THE LIBERAL-CONSERVATIVE PARTY OF ONTARIO

Employee Welfare Series

Workers' Health, Safety Concern of Employers

Effort and Money Expended by Canadian Companies to Protect Employees from Illness and Injury

This is the sixth of a series of articles on the wage-supplementing employee welfare policies of Canadian employers.

By GUY S. CUNLIFFE
Staff Writer, The Financial Post

"To your good health!" is more than a polite or convivial formula when translated into the concern shown by industry for the protection of its workers from injury and illness.

To an increasing degree, Canadian employers are demonstrating that they have a keen interest in the sound health of their employees. Through education and warning propaganda, through health programmes, through provision of medical, nursing, hospital and first aid facilities, and by setting up financial bulwarks against distress from accidents and sickness, employers stand between their workers and the "ills that flesh is heir to."

Chief Objectives

There are three main objects of employee health, accident prevention and compensation programmes.

1. To keep the employee in the best possible health and educate him to avoid accidents either at work or in leisure hours.

2. To reduce to a minimum the hazards of industrial employment. through provision of mechanical guards and standards of safe practice, and ensure prompt remedial treatment when they do occur of cases of occupational injury or illness.

3. To ensure workers of compensation and support, covering cost of medical and hospital care and offsetting loss of wages during disability.

Beyond The Law

The Financial Post survey disclosed firms that have set standards for the compensation and support of workers disabled by occupational accidents substantially in excess of those established by compensation laws. Where such compensation is paid by a government board out of funds provided by an industry as a whole, these companies pay from their own treasury the difference between legal compensation and their own standards.

Compensation laws do not protect workers against the results of non-occupational sickness and injury, but progressive companies do. Latest available statistics indicate that at least 50% of industrial workers can be sure, when they fall ill or are injured from any normal cause, of receiving funds to cover medical expenses and maintain their homes during disability.

The Ontario Workmen's Compensation Act, for instance, merely requires all plants to have first aid kits in charge of "a suitable person" and larger plants must maintain a properly equipped first aid room in charge of "a clerk, workman, nurse or other person" instructed in first aid methods. The majority of employees in industrial plants of that province, however, can depend, when injured, on attention from a plant doctor or nurse or both, in many cases in a fully equipped hospital maintained at or in connection with the plant.

First Aid Instruction

Many companies assist their employees to obtain instruction in first aid, home nursing and general health education, through the St. John Ambulance Association and similar organizations. Not only is such training of value to the employees and their fellow workers, but in countless instances has been of value to the general public in emergencies when trained first aid men have been on hand.

Most companies of any size devote considerable time, effort and money to the work of accident prevention. In Ontario, over 9,000 industrial employers (excepting utilities, transport and mining companies) support through their compensation assessments the Industrial Accident Prevention Association, to the tune of $100,000 a year. This co-ordinated accident prevention effort is supplemented in most cases by the firm's own programme.

Safety Specialists

Such programmes often involve employment of safety specialists who study accident causes and hazards, recommend elimination of dangerous factors, direct campaigns for accident avoidance among workers, and conduct contests for accident-free records between departments. Well organized and persistently maintained campaigns of this nature have almost invariably resulted in virtual elimination of deaths arising out of employment, reduction of accident totals by anywhere from 30% to 90%, and, in outstanding cases, total elimination of lost time accidents for months or even years.

One of the most successful methods of accident elimination is the system of plant safety committees, made up of foremen and workers drawn from different plant departments or groups of workers. Such bodies meet at regular intervals to devise methods of eliminating causes of accidents, whether they be exposed mechanical hazards, defects in production practice, or carelessness of workers.

The means by which workers are provided with sick pay and accident disability protection vary widely. They range all the way from group insurance and benefit funds supported entirely by the company, to employee benefit associations financed mainly or entirely by workers. In the great majority of cases, however, the company furnishes at least part of the funds which guarantee income to workers when they fall ill or are injured, particularly where such funds cover non-occupational disability. In many instances insurance to provide cost of medical care and hospitalization must be paid for entirely by the worker.

Individual Plans

Illustrative examples of the accident prevention, health programmes, and sickness-accident protection schemes of leading Canadian companies are summarized below:

T. Eaton Co.—Sick pay if employee ill more than three days. Hospitals maintained in stores and factories, and assistance given to employees requiring treatment in city hospitals. Dental clinic operated to diagnose and advise (but not treat) employees' mouth ailments. Safety programme kept up from year to year.

Bell Telephone Co. — Comprehensive and successful accident prevention programme. In past three years, only two employees have been fatally injured in course of employment. A lost time accident rate of 63 per 1,000 employees in 1921, dropped to 22 in 1926 and only 4 last year. Drivers of 544 of the company's 750 motor vehicles in Ontario and Quebec have records of one to three years without an accident.

Medical staff examines all new employees when they are hired. Company finances occupational accident benefits, full pay for 13 weeks, half pay thereafter up to six years limit; sick pay and non-occupational accident benefits, full pay for from 4 to 13 weeks, half pay nine to 39 weeks.

Imperial Oil Ltd.—Company finances sick benefit plan assuring employees after service of one year or more, or half pay for periods ranging from six weeks to one year, depending on length of service. In past five years, accident prevention programme has reduced annual total of accidents in refinery and marketing divisions from 208 to 157, and number of deaths from seven to one. Company has tuberculosis and cancer preventive programmes, and has expended considerable effort and funds in curative hospitalization of employees found to be suffering from these diseases. Doctor on part time basis and full time safety inspector employed at each plant, and medical adviser retained to supervise all plants.

Canadian Industries Ltd.—Contributory benefit plan insures employees against sickness and non-occupational accidents to extent of from $5 to $25 a week. Company pays as high as 80% of insurance cost for lower paid workers. Highly developed and successful safety programme maintained.

Swift Canadian Co.—Accident prevention programme dates back 25 years and has produced marked reduction in accidents. Company gives special assistance to employees when sick or injured, in addition to that by Employee Benefit Association, founded under company sponsorship in 1907.

Consolidated Mining and Smelting Co.—Maintains special safety department and 27 safety committees. Provides special respirators and goggles where necessary, and milk for men working in lead dust. St. John's Ambulance Assn. first aid courses taken by 25% of workers. Time loss due to accidents reduced from 11.3 shifts per 1,000 shifts worked in 1927, to 3.7 in 1934. Employee pays $2.50 a month, company 90 cents, for medical and hospital care insurance. Sick pay given through Employees Benevolent Society (dues, $1 a month; benefits, $1.50 a day up to 6 mos.).

Canadian National Railways—Medical service department co-ordinates work in first aid, sanitation, accident prevention, rehabilitation of injured workers, study of industrial diseases, analysis of accident data, and evolution of safety rules. First aid courses given in conjunction with St. John's Ambulance Assn. Pensions provided for workers mentally or physically disabled.

Canadian Pacific Railway—Medical staff consists of seven full time doctors, including chief surgeon and medical officer and two doctors at Angus Shops hospital; and 200 part time medical officers in various districts. Has elaborate first aid and accident prevention programme.

Dome Mines—Assures workers of half pay during illness or disability from non-occupational accidents.

Sylvanite Gold Mines—Group insurance against sickness and accidents provided on contributory basis through company's pension and life insurance plan.

General Motors of Canada—Contributory benefit plan provides workers sick or non-occupationally injured with $14 a week for 13 weeks. Plant hospital maintained, and company has intensive accident prevention programme.

T. S. Simms & Co.—Mutual Benefit Association financed 50% by company provides sickness and non-occupational accident benefits ranging from $3 to $10 a week up to 26 weeks.

Brown Plan Premature Bondholders Are Told

From Our Own Correspondent

MONTREAL. — Bondholders of Brown Co. are urged by Charles Francis Adams, chairman of the bondholders' protective committee, to take no action at this time on the proposed reorganization plan for the company filed in the Federal Court of Portland, Me., early last month.

Current solicitation for acceptances of the reorganization plan is "definitely premature and is not in the interest of the bondholders," according to Adams. The method of solicitation, his letter to the bondholders said, has not been submitted to, or approved by, the Federal Court.

Adams said the bondholders should maintain complete freedom of action until results of the survey now being made are available.

"There are already indications that modifications to the present plan may be under consideration," he said, "but the committee believes that the proposal or acceptance of any modification should be delayed until the completion of the survey."

Wire Rate Cuts Unlikely Here

Canadian Companies See No Hope of Following U. S. Move

Considerable stimulation of telegraph business in the United States has resulted from slashing of night message rates by American wire companies, the new rates being so low that night letters are now frequently used instead of press rate facilities when deferred delivery meets newspaper purposes.

Canadian telegraph companies are not likely to follow the American example, The Financial Post is informed. The success of the American rate cuts is predicated on development of a volume of business made possible by density of population and comparative proximity of large urban centres. Absence of such conditions in Canada makes it impracticable and financially unsound to attempt similar rate reductions in this country, it is said, although Canadian telegraph officials are watching the American experiment.

Prior to the U. S. reductions, which became effective June 1 last, there were two types of night rates available to telegraph users—the 50-word night letter at the same rate as straight day wires, and a 25-word night message similar to the deferred delivery day letter. Under the old night letter plan, a transcontinental message of 50 words or less cost as high as $1.20. Under the new plan, the night letter and night message rates were fused into 25-word night letter rate with a maximum charge of 50 cents, and a further reduction in cost on messages of 100 words or more. In short, the wordage limit on deferred delivery night messages was halved, and the rate more than halved.

In Canada the rate on fast delivery press dispatches is half a cent a word in the daytime and a quarter of a cent a word at night, with a minimum charge of 25 cents. But in the United States, the press rate is one-third of the regular daytime straight wire rate. Thus a 20-word dispatch from New York to Los Angeles would cost 80 cents. Under the new night letter rates, such a dispatch, if not needed until first thing in the morning for publication in an afternoon newspaper, could be sent for 50 cents, and the unit cost would be even less if 100 words or more were dispatched.

Not only have the U. S. reductions failed to be adopted in Canada, but they do not apply to international traffic. Thus Canadians sending night messages to United States points still have to use the 50-word rate, and obtain no saving on the portion of the transmission beyond the border.

DIVISION MANAGER

John T. Gifford has been appointed to the staff of the Dominion Rubber Co. as Ontario division manager. Since 1930 he has been manager of the Excelsior Life Insurance Co. in Toronto.

Construction

Hamilton Harbor Project To Involve $1.5 Million

First steps are being taken in a $1.5 million programme to make Hamilton, Ont., one of the most completely equipped shipping ports on the Great Lakes.

Initial construction, authorized by agreement between the Department of Public Works at Ottawa and the Hamilton Harbor Commission, will consist of a 2,025-foot revetment wall in Hamilton Harbor, to be used in reclaiming 50 acres of land for the larger harbor project. Tenders submitted for the wall are as low as $416,000 and this initial phase of the harbor development will start immediately.

The Hamilton development is designed to meet existing pressing requirements for shipping facilities. Steel, electric and other large manufacturing plants in Hamilton are experiencing active business and shipping facilities are limited. Most of the docks located in Hamilton Harbor are privately owned and the shortage of docking space is presenting increasingly difficult conditions. For more than a year Hamilton Harbor Commission officials have pressed for Federal action, with the result that Federal funds will be used for the 2,025-foot wall while Hamilton will pay for the filling-in of the newly provided dockside space.

Similar to the Toronto Harbor reclamation project of a few years ago, but on a smaller scale, the revetment wall will be built a distance of 200 feet along the existing harbor front, then northward into the bay for 1,685 feet and east for 150 feet. Second stage of the development will be continuation of the wall to enclose about 50 acres of reclaimed land on which harbor warehouses will be built.

Construction World

Smiths and Scots

Among them, Scotsmen and the Smiths run Ontario's Department of Highways. Contractors doing business with the department usually carry a memorandum headed "Smith," and underneath a list of initials.

Otherwise there may be confusion in appointments and interviews with R. M. Smith, the deputy minister; G. E. F. Smith, the chief accountant; A. A. Smith, the chief engineer of highways and municipal roads, or S. E. Smith who happens to be the divisional engineer at Port Arthur.

As for Scotsmen, the department's roster reads like a membership of the St. Andrew's Society. Clans represented are the MacInnes, the Macdonnell, the MacPherson, and the MacLachlan among the engineering staff alone, and, of course, the minister himself, Hon. T. B. McQuesten, is a member of The Thistle Club. Then there are G. G. Greig, assistant chief engineer of highways, Adam Hay, chief draughtsman, J. D. Millar, municipal road engineer at Cornwall . . . but why go on? The Scots and the Smiths seem to have made a name for themselves in highway construction.

• • •

Building Expands

Road construction in Quebec, the St. Lawrence River dredging contract and a projected mental hospital near St. Thomas, Ont., are among major construction contracts awarded in August which contribute to an increase over July totals.

Preliminary figures, compiled by MacLean Building Reports Ltd., show a gain in contract awards of 15.5% in August compared with the previous month, and a gain of 60% over August, 1936. Awards for all Canada were $24.8 millions last month compared with $21.4 millions in July and $15.5 millions in August of last year.

• • •

41% Over 1936

August building awards are particularly significant as indicating the maintenance of general recovery in the construction industry. Although they are seasonally lower than those of three months ago, the increase over July brings the cumulative total for the first eight months of 1937 to $156.6 millions, 41% above the $111.1 millions in the corresponding period of 1936. That there is no dearth of building in sight is likewise indicated by a 58.7% increase in contemplated projects, now standing at $304.4 millions against $191.6 millions a year ago.

British Labor Laws Discourage Strikes

Action Illegal Where it is Aimed at Other Industries Or is Attempt to Coerce Government

British labor laws and union regulations are as little understood as they are often cited on this side of the Atlantic as a means of preserving harmonious labor relations, according to an analytical article in Business Week, United States market publication.

The laws are less compulsory, restrictive and comprehensive than is generally believed, says the commentator, but have established a system that works surprisingly well. The basis set up is prohibition of strikes designed to coerce public authorities or work disruptive hardship on the local or national community; discouragement of strikes of any kind; and encouragement of methods for adjusting differences before they reach the deadlock or strike stage.

Existing legislation and labor relations machinery in Great Britain has not curtailed the extent of labor troubles or industrial tie-ups. But they have tended to eliminate widespread sympathetic and coercive strikes, and to confine trouble to spheres of genuine disputes between employers and workers.

Features of the regulations, as interpreted by Business Week, are as follows:

All sympathetic, general or auxiliary strikes are not outlawed. To be classed as illegal, and render unions liable to criminal action and damages, a general or sympathetic strike must involve both of the following factors.

(1) Where strike is aimed at industry other than that in which strikers work or is unconnected with conditions in sympathetic strikers' industry; and

(2) Where aim is to coerce government or inflict hardship on the community.

Also declared illegal are strikes or lockouts involving breaches of contract between employers and workers in gas, water, electric, and public service plants. The law defining illegal strikes, which has not been invoked in the 10 years of its existence, provides for criminal liability of union officials, assessment for damages on union funds, and restraint by court order of expenditure of union funds for strike support.

Except in the case of illegal strikes, a union cannot be sued for damages, though breaches of contract under certain circumstances are deemed criminal offenses.

British unions are not required to be incorporated nor have any substantial number assumed corporate status. About 80% of all British unions have, however, taken advantage of the optional procedure of registering under government regulations which require three main qualifications:

(1) That the union show a legitimate object of organization;

(2) Appoint officers under definite provisions; and

(3) Amend charter rules only according to prescribed methods.

Registered unions are required to set up boards of directors or trustees who are responsible for managing union affairs and for submitting audited accounts to registration headquarters once a year.

Unless registered, unions are not compelled to submit accountings of their funds, except that all unions, registered or otherwise, are required to keep funds for political purposes in separate accounts and submit these accounts for audit annually. The closed shop predominates in only a few industries and the check-off (deductions from pay for union dues) is illegal.

Arbitration Procedure

Arbitration of disputes is not compulsory but many labor disputes are settled by conciliation boards, or by a neutral arbitrator called in when deadlocks occur. Industrial councils function in about 50 industries. A system of "district courts" and a "supreme court" is available for arbitration at the option of disputants, but awards are not compulsory. Courts of investigation may be appointed by the labor ministry at discretion.

In Great Britain, about 30% of all workers are unionized, compared with about 15% in the United States and 20% in Canada.

New Building

McCabe Bros. Grain Co. of Winnipeg, Brandon, Man.; grain elevator, $30,000.

Canada Packers Ltd., Comeau Bay, P.Q.; warehouse, $20,000.

Canadian National Railways, Decimal, Man.; 100-ton mechanical coaling plant.

City of Edmonton, new boiler unit for power plant, $220,000.

English Electric Co., St. Catharines, Ont.; machine shop, $73,000.

Ontario Government, near St. Thomas; hospital, $3.5 millions, first unit of which will cost $1 million.

Zim Manufacturing Co., Vancouver, Olds, Alta.; factory for manufacturing soap, cleaners and polishes.

Saskatchewan Pool Elevator Co., Regina; grain elevators at Carrot River and Porcupine Plain, each of 35,000 bushels capacity.

Ford Motor Co. of Canada, Saint John, N.B.; plant and maritime headquarters building to start soon at estimated cost of $225,000.

Toilet Laundries, Toronto; factory, $45,000.

Imperial Tobacco Co. of Canada, Delhi, Ont.; extension to processing plant, $150,000.

Dryden Paper Co., Dryden, Ont.; additional hydro-electric plant, $100,000.

Safeway Stores Ltd., Vancouver; creamery building addition to cold storage plant, $41,000.

Hudson's Bay Co, Winnipeg; enlargement of plans for building originally planned to cost $50,000. Estimated new cost, $80,000.

Fort Erie Milling and Elevator Co., Fort Erie, Ont.; proposed elevator, trackage and possibly a freight package terminal, $500,000 to $3 millions.

Famous Players Corp., Galt, Ont.; theatre, $60,000.

Fraser Companies Ltd., Newcastle N.B.; survey for proposed pulp mill on former Sinclair mill property.

Great Lakes Power Co., Sault Ste. Marie, Ont.; 10,000 h.p. hydro-electric development on Montreal River, 90 miles from Sault Ste. Marie, $1 million.

The Daily Commercial News & Building Record reports:

Bank of Toronto, Toronto; branch bank and store, Islington Ave. and Avenue Rd., $50,000.

Goodyear Tire & Rubber Co., Bowmanville, Ont.; proposed addition to three new buildings and improvements to manufacturing plants, estimated cost, $250,000.

St. Maurice Power Corp., La Tuque, Quebec; contemplated 160,000 h.p. hydro-electric power development with possible construction and financing in 1938.

Burlington Steel Sees Improvement in Business

Burlington Steel Co. officials report improvement in operations. Earnings in 1936 were 39 cents a share and considerably better results are expected this year. The current dividend rate is 40 cents a share. This was erroneously reported in The Financial Post of Aug. 7, 1937, as 80 cents a share.

English Electric Co. Enlarging Its Factory

English Electric Co. of Canada has let a contract for extension of its plant at St. Catharines involving expenditures of $100,000.

The contract is held by J. R. Stork and Rowdon and Hookey. Work is to proceed on the extension at once.

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Abitibi Common

Can you give me an estimate of how holders of Abitibi Power & Paper Co. common are likely to fare in a reorganization?

Holders of Abitibi Power & Paper common, if the plan of reorganization proposed by the bondholders' protective committee is accepted, would receive one tenth of a new common share plus the right to purchase another one-half share for each common share now held. The common appears to be rather highly valued at around $6 a share in relation to the preferred under this plan. Estimates of the probable value of the new common under the plan vary from $10 to $20 a share. It provides that common shareholders would receive 6.7% of the new common and, if purchase rights were exercised in full, they would receive 14.9%. Substantial increase in earnings has taken place in the first six months of 1937 and earnings available for depreciation and bond interest were $2.1 millions compared with $767,800 in the corresponding period of 1936. Earnings for the whole of 1936 were $2.2 millions. In the same length of time working capital has grown from $2.3 millions to $3.9 millions. The company's production of newsprint for 1937 is now estimated at 475,000 tons compared with 355,274 tons in 1936.

Blue Ribbon Corp.

I am interested in the stock of Blue Ribbon Corp. and would like to receive a report on the company.

Blue Ribbon Corp. recently reported net profits equal to $3.64 a share on its preferred for the year ended June 30, against $2.22 a share the preceding year. Deduction of regular dividend requirements of $3.25 a share on the preferred leaves a balance of 19 cents for the common, the first time earnings have been shown on the common since 1931. Accumulated arrears on the preferred were $6.87½ a share at May 1, 1937. The company has paid $2 a share annually on its preferred since 1931. Although working capital was $881,100 at June 30, 1937, its liquid position was not very strong. Cash was only $14,353, while secured bank advances were $472,892. Increased sales and profits were reported by each of the company's three subsidiaries, Blue Ribbon, Ltd., Pure Gold Manufacturing Co. and Willard Chocolates.

Riverside Bonds

Is there any prospect of any interest being paid on the town of Riverside bonds this year?

There does not appear to be much prospect of interest on Riverside bonds this year. The town's financial position was very bad. Bondholders may have to take a loss in any refinancing. We are informed that the department of municipal affairs has taken initial steps toward preparing refinancing plan for Riverside. Late in 1934, Thomas Bradshaw recommended that bonds be refinanced at 3% and that substantial amounts be written off principal. We understand, however, that improvement has taken place since that time.

Famous Players

Do the 4½% bonds of Famous Players Canadian Corp. appear to be a satisfactory investment at present prices?

The 4½% bonds of Famous Players Canadian Corp. are part of a total issue of $7.1 millions of which $2.1 millions are serial 3 and 3½% bonds. Although part of the same first mortgage, in point of time of payments, the 4½% bonds rank behind the serial bonds. At current prices of around 100 for the 4½% bonds the possibilities of appreciation appear somewhat limited. The company has a very good earnings record, having been able to cover bond interest after depreciation in every year of the depression. In 1936 earnings were slightly over three times bond interest after depreciation.

Imperial Oil

What appear to be the prospects for Imperial Oil shares from the standpoint of higher dividends and market appreciation?

Imperial Oil Ltd. is a stable dividend payer, distributing $1.25 a share annually. This is considerably above the 1936 earnings of 95 cents a share, but the company's exceptionally strong working capital position and large depreciation reserves permit it to make dividend payments above earnings without weakening its position. There is, however, no prospect of early increase in dividend and, although at present prices a yield of approximately 6% is obtained, the prospects for increase in market price or dividend appear limited.

United Steel Common

What appear to be the prospects for holders of common shares in United Steel Corp.?

Earnings of United Steel Corp. were approximately eight cents a share on the common last year, a large part of which came from the controlled company, Standard Steel Construction Co. Considerably better earnings are anticipated in 1937. Standard Steel Construction has some dividend arrears on preferred but working capital of the combined companies is good and dividends could be paid on the common if this year's larger volume results in a substantial improvement in earnings. The 374,581 common shares may be increased to 471,881 by conversion of the last 2,500 shares of class B preferred. We understand that shipments for the first half of 1937 by the two firms showed an increase of 50% and that the backlog of orders on hand has increased more than shipments. Development expenditure in the pulp and paper industry, which is one of the main sources of the company's business, is expected to contribute to increased earnings, and activity in mining and construction has also proved beneficial. United Steel is enjoying substantial recovery from the depression, but results of operation under the present setup are rather brief for the investor to form any judgment of the long-term possibilities.

Skylines Express

Can you give a review of Skylines Express Ltd.?

Skylines Express Ltd. was organized early in 1937 to furnish a regular air service between Toronto, Montreal and Winnipeg, and the mining centres of Ontario and Quebec. A public offering of 20,000 treasury shares was made in June at $7.50 a share, by Northwest Securities, Toronto. At that time the company stated that financing was required to purchase five Fairchild air-liners, extra motors and parts, ground equipment and supplies, radio equipment, air terminals, and working capital of $300,000. The company is now in operation, but no record of earnings has been established. It has also not been demonstrated, as yet, that there will be sufficient regular traffic by air through the districts served to justify making regularly scheduled flights as Skylines Express planned.

Reinhardt Brewery

Can you give me any information as to the earnings and operations of Reinhardt Brewery Co.?

Reinhardt Brewery Co., Toronto, is one of the smaller independent brewing concerns in Ontario. The company's latest report for the 4 months ended June 30, 1937, shows net profit equal to 14 cents a share on common. A dividend of 15 cents a share was paid on June 1. Net profits for the year ended Feb. 28, 1937, were 39 cents a share on common compared with 28 cents a share of the preceding year. During the 4 months ended June 30, 1937, working capital was increased from $141,377 to $150,828. Ontario brewing concerns have found competition quite severe, particularly from Quebec, and few of them have been able to show a stable record of profits.

Can. Locomotive

What are the prospects for the common shares of Canadian Locomotive Co.?

Canadian Locomotive Co. earned about four fifths of its annual bond interest, before depreciation, in 1936. Net earnings of $2,517 were applied toward depreciation and no interest was paid on the bonds. This left the bonds in arrears from Jan. 1, 1934, and by the end of this year interest will be in arrears 24% or $250,000, which would absorb most of the company's earnings even in a very good year. The immediate prospects for the common, therefore, are not promising. There have been no earnings to apply toward this stock since 1930. This year's results are likely to show improvement, as the company had orders for 23 locomotives, compared with only seven in 1936. Several years preceding 1936 it had to depend entirely on business in mining machinery and replacements.

Great Lakes Paper

I hold a $1,000 bond of Great Lakes Paper Co. and would like to receive some information as to its investment status. If I sold my bond, would I be entitled to receive accrued interest in addition to the market price?

You can cash the coupons on your Great Lakes Paper bond due Oct. 1, 1936, and April 1, 1937, through the Dominion Bank which will pay full face value. If you sell your bond, you will be entitled to accrued interest from April 1, 1937, at 5% to the date of sale. Great Lakes Paper Co. this year will probably show earnings, after allowing for depreciation and bond interest, sufficient to cover dividends on the class A preferred. This means that the bond interest, under present circumstances, is comfortably secured, and that with higher prices for newsprint in 1938, the company will have earnings well above interest requirements. The bond mortgage has been written down to $6 millions from $10 millions, and considering the current period of prosperity in the paper industry, the investment gives you a high degree of safety of principal. If conditions change in the course of a few years, that statement might not be correct, but sinking fund operations should gradually reduce the amount of bonds for the protection of holders.

York Township

Have any steps been taken toward preparing a refinancing plan for York Township and are there any indications as to how bondholders will fare in any refinancing?

Work is proceeding on a refinancing plan for York Twp. The township has had some improvement in its financial position recently and for 1936 had a surplus of approximately $130,000 on ordinary account. Past due principal and interest amounted to $4.9 millions at the end of 1936. It is probable that the refinancing plans will require some reduction in interest rates, but it is not expected that any change will be made in the principal of outstanding debentures. Maturities would be extended to permit the township to place its affairs on a sound basis. Judging by recent plans announced for other municipalities, it is likely that York Twp. debenture holders will receive around 4½% on their new securities. The plan should be announced within the next few weeks.

B. A. Oil

What appears to be the possibility of British American Oil Co. increasing dividends on its stock in the near future?

British American Oil Co. earned $1.41 a share in 1936, the highest in history against $1.10 a share in 1935. This included 46 cents a share earnings from its American producing subsidiaries. Further increases in American earnings may be expected this year as the result of a substantial advance in crude oil prices. Due, in part, to the higher cost of this crude oil and in part to increase in sales tax returns from Canadian operations on the other hand, dropped in 1936 by 15 cents a share. While the company should be able to maintain its present dividend rate of $1 a share substantial amounts of comparatively short time bonds which have to be met in the next two years may have an unfavorable influence on possible increases. Canadian earnings continue fairly stable and prospects of future increases in dividends are dependent to a large extent on the present, or higher, levels for oil prices in the United States. For the first five months of 1937 the company reports that its percentage of increase in gasoline sales was greater than the increase in general consumption and that all five refineries were operating at capacity. Operations of the American Crude Oil producing subsidiary continue and new property is continually being secured.

Can. Power and Paper

As a subscriber to The Financial Post, I would like to have a report on Canadian Power & Paper Investments. What do you think of the common stock?

Canadian Power & Paper Investments was reorganized near the bottom of the depression. As a result, its securities are conservatively valued. The common is still speculative, but with higher market values it would be possible for the company to build up an equity. Some time may elapse before this is done, but, on the whole, the outlook for the company is not unsatisfactory.

Brazilian Traction

What appear to be the prospects for the common shares of Brazilian Traction, Light & Power Co.?

Brazilian Traction, Light & Power Co. appears likely to earn over $1 a share compared with 89 cents a share in 1936 and 74 cents in 1935. Dividends of 70 cents a share were paid in 1936 and one payment of 50 cents has been made so far in 1937. The company's earnings record has been good, but subject to important adverse influences. They are: First, fluctuations in value of Brazilian currency; second, abrogation of a former rate schedule by the Brazilian Government and establishment of temporary rates for the company's services. It appears that on the current operating rates the company can make reasonable profit for shareholders provided the Brazilian currency remains at not less than the current level of about 6½ cents for the milreis. Improvement in economic conditions leads to expectation that the company will be able to maintain its current rate close to $1 a share, but the investment position is still one of some uncertainty. The company's pre-depression record of substantial earnings and dividends of $2 a share gives some hope that it may be able to get back its former earning power.

Quebec Power

Will you be kind enough to let me have your opinion on Quebec Power Co.?

Quebec Power Co.'s operations have been on a steadily increasing scale. Income on the other hand, has been affected by rate reductions, though recent interim statements indicate that consumption is now offsetting the lower rates. The company is earning its dividend. It is well to bear in mind that the political situation in Quebec is not as good as it might be in respect to the utility companies though it is improving and for that reason all the Quebec utilities have been very dull for some time past.

B. C. Pulp

Will you please let me have your opinion on B. C. Pulp and prospects for resuming interest payments, on the general mortgage bonds.

The position of British Columbia Pulp and Paper Co. has undergone a marked improvement over the past year and the outlook is now considered exceptionally bright. Expansion programme is now under way at the company's Port Alice and Woodfibre mills, which will approximately double the capacity of the two plants.

Higher prices for pulp and paper products are expected to more than offset increased costs in 1937. Expectations are that the operating profit will be the largest in some years. Interest payments on general mortgage bonds, depend very largely upon the manner in which it will take care of the capital expenditures at Port Alice and Woodfibre. In some quarters it is anticipated that the increase in earnings between now and the end of 1938 will be more than sufficient to take care of this expenditure, in which event, the company should be in a position to clean up the interest arrears.

Adelaide-Sheppard

Can you give me any information about the 7% first mortgage bonds of Adelaide-Sheppard Co.?

First mortgage 7% bonds of Adelaide-Sheppard Co. are secured by first mortgage on the Concourse Building in Toronto. The property is owned and managed by the estate of Mrs. Theresa Small. Interest is being paid regularly under guarantee by the estate. In March, 1933, bondholders agreed to accept a reduction in interest for not more than five years from Sept. 15, 1933 and under this arrangement 5% has been paid. A proposal to waive interest due in 1938 and 1939 is to be voted on by bondholders at a meeting on Sept. 10, 1937. No statement of earnings of the building is available.

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ONTARIO

A Statement by the Ontario Department of Health on

POLIOMYELITIS

("INFANTILE PARALYSIS")

In view of the prevalence of "infantile paralysis" in Ontario at the present time, and in recognition of the deep concern felt by parents over the protection of their children, the Provincial Department of Health is issuing the following statement concerning the nature of the disease and the question of what can be done to reduce the danger of infection.

Nature of the Disease

Like measles and scarlet fever, "infantile paralysis" is a communicable or "catching" disease. Like them also, it is mainly a disease of childhood. Yet the term "infantile" is apt to be misleading. While it is true that the majority of cases occur among children under ten years of age, the disease does occur, especially in rural districts, among older children and young adults.

The term "paralysis" is likewise misleading since it conveys the impression that some loss of muscular function is characteristic of every case of the disease. This is not true. It is now known that only a small proportion of those who contract the disease actually develop paralysis.

Since the disease is not limited to infants and since paralysis does not occur in all cases, the name "infantile paralysis" is now regarded as a misnomer. The correct name for the disease is "polio-myel-itis", which simply means acute inflammation ("itis") of the grey matter ("polio") of special portions of the spinal cord which control movement of the muscles. This inflammation is believed to be due to a special sort of infection which probably gains entrance to the nervous system through the upper part of the nose and throat.

Cause of the Disease

Poliomyelitis has been definitely recognized as a communicable disease since 1909 when investigators succeeded in securing from humans, ill with the disease, a minute living substance called a "virus" which was found to be capable of producing poliomyelitis in monkeys.

Much remains to be discovered about the nature of this virus but a good deal has already been learned. In size, it has been found to be less than one millionth of an inch in diameter. The virus is present in the nervous tissue of humans who have died from the disease. It is also found in the nose and throat, not only of persons ill with the disease, but also of persons who have been in contact with the disease.

How the Disease Spreads

The exact manner in which the disease is transmitted from one person to another is not known. However, the disease does not arise spontaneously. The source of infection is a human being who is carrying the virus. Such a person need not necessarily be suffering from the disease. Yet the mere presence of the virus in the nose and throat affords ample opportunity for spread of infection. In such cases minute particles are given off by coughing, sneezing and talking. Fingers are constantly being carried to and from the mouth and nose and in this way articles, such as improperly washed eating and drinking utensils, common towels, children's toys, etc., may become contaminated.

Any set of circumstances which permits the frequent and rapid transfer of nose and throat secretions from one person to another increases the possibility of infection.

There is no evidence that flies or other insects play an important part in the spread of poliomyelitis.

Chlorination of municipal water supplies as now practised, and the proper pasteurization of milk have eliminated water and milk as possible sources of infection.

Signs and Symptoms of the Disease

The early symptoms of poliomyelitis are neither constant nor regular in their appearance, but certain of them are sufficiently suggestive to warrant the summoning of the family physician.

The onset is usually sudden, with rapidly rising TEMPERATURE, fluctuating between 101-103 degrees. HEADACHE is another common symptom. The young child is apt to appear irritable and cries easily when disturbed. The patient is usually willing to stay in bed, appears drowsy and takes little interest in his surroundings.

VOMITING is fairly characteristic. Constipation is often present, whereas diarrhoea is unusual. Food is refused.

Often the characteristic symptoms of COLD or SORE THROAT are present.

SORENESS IN THE MUSCLES of the back and STIFFNESS and pain in the joints of the arms and legs may occur.

In many cases of poliomyelitis the condition does not go beyond this stage, and terminates after four to ten days' illness.

However, in other cases, the disease proceeds into a second stage, in which the elevation of temperature and rapid pulse are accompanied by marked irritability and drowsiness. The patient becomes mentally disturbed and takes on an anxious, frightened expression. Sleep may be disturbed by twitching and the hands may shake and tremble.

The following specific signs are of particular importance:

STIFFNESS OF THE SPINE. The head may be bent on the neck but efforts to bend the neck on the shoulders cause pain and are resisted. The child is unable, while sitting up in bed, to bend his head down to touch the knees. If he bends at all, it is at the hips with the back held rigid.

PECULIAR SITTING POSTURE. When he sits up he props himself behind with extended arms supporting a tender or painful spine.

Preventive Measures

The precautionary measure of first importance is to protect the child from contact with infection. Since other human beings are the primary source of infection, then children, who are evidently much more susceptible than adults, should be protected as far as is reasonably possible from contact with people.

"Keep your child in your own yard" is a wise precaution. In crowded stores, street cars, motion picture theatres, bathing pools, picnics,—in fact, in any setting where there is a large number of people, the chances of exposure to possible infection are tremendously increased.

Of equal importance for the protection of children is the prompt calling of a physician if the child shows the indications of illness described above.

Convalescent Serum

Medical opinion is divided concerning the effectiveness of the so-called "Convalescent Serum" in poliomyelitis. In the absence of conclusive evidence, the Department is continuing to supply this serum to physicians on request. Owing to the limited supply available, its use must of necessity be limited to cases suffering an attack of the disease.

Nasal Spray

Based on the assumption that the virus enters the body through the upper part of the nose, attempts are being made to prevent its entrance by spraying the nasal passages with certain chemicals. Since this method is still entirely in the experimental stage, it is not one which can be recommended for general use.

Precautions in the Care of Those Ill

When a diagnosis of poliomyelitis has been made, the patient must be isolated for a period of at least three weeks. Since other members of the family are likely to be carriers of the virus, the protection of the community requires that they be quarantined until the danger of further spread has been eliminated. Care should be taken to see that articles which may have become contaminated by the patient are disinfected or burned. Special precautions should be taken in regard to the disposal of nasal and alimentary discharges. Those who are handling the patient should exercise special care regarding their hands and person before coming in contact with other people.

MINISTER OF HEALTH

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Insurance

Legislation Sought To Enforce Rulings

Insurance Superintendents Urge Compulsory Filing of Policies for Approval — Excess Competition Discussed in Camera

The most important discussion in last week's conference of superintendents of insurance was held in camera. No inkling of the nature of this discussion could be obtained from the men who took part, but it is known that it centred around Ontario Superintendent H. D. McNairn's ultimatum to the companies last spring to clean up their business.

Mr. McNairn was non-committal when approached, but it seems likely that he intends to continue the course which he has already charted in regard to fire and casualty companies. The basic weakness in this business, insurance officials feels, lies in the ever present menace of excess competition and presumably it was this and related problems which the superintendents tackled in private session.

Most important of the recommendations made by the superintendents was, as anticipated, in regard to the work of the joint committee on definitions and underwriting powers. For some time, there has been disagreement among the superintendents as to whether or not they had the necessary power to enforce rulings of this committee. To clear up any doubts they have asked the committee to "prepare for enactment" amendments to the insurance act which provide for filing all policies covering inland transportation risks with the superintendent of insurance for his approval. He may thus restrict use of any contract to a specified type of risk.

Further recommendations in respect to the definitions committee is that it take under review the various classes of insurance with the object of bringing about more complete uniformity in regard to classification of hazards and licensing of companies.

Definitions Report

The definitions report attracted a full house in conference discussions. Most of those present gave tacit approval to its work of defining in what classification various types of insurance fall. A number of company men have consistently opposed the committee since its inception, however, holding that it is restrictive in character; that it does not give the public as wide coverage as might otherwise be obtained, and may possibly have an effect in raising the cost of insurance. It is felt, for instance, that simply because standard forms are approved there is no reason why coverage should not extend the terms of these forms, provided the extensions are within the charter rights of the insurance companies.

This view was emphasized by representatives of the Toronto Board of Trade.

Discussion centred about three major points: principle, personnel and practice. As an overwhelming number of companies have already bound themselves to abide by the decisions of the committee, objectors were limited to those who had already expressed disapproval. No criticism of personnel was voiced, and apart from the personal policy floater, little was made against rulings.

To obtain a definite statement of the position of the companies on these points, the superintendents are forwarding a questionnaire which will also ask for suggestions as to enforcement.

Mr. McNairn announced that appointment of a mutual company and an agents' representative was being considered to fill existing vacancies on the committee.

Broader Coverage

Consideration of fire insurance was limited largely to broadening of coverage and to definition of "mercantile" and "manufacturing" insurance. The Canadian Manufacturers' Association and the Toronto Board of Trade are to submit their view on proposed amendments to the superintendents' standing committee. This committee will consider repeal of limitations of mercantile and manufacturing risks.

There was considerable discussion in open session of the "replacement" clause of the Wawanesa Mutual. This allows the insurance company an option of replacing the burned property. Apparently, the feature has attracted a good deal of favorable attention from other insurers, and it was thought that with the possibility of more extended use, legislation affecting it might be made clearer. General opinion of those present was that no further legislation was required; that the insured is already sufficiently well protected. Major Howell Smith, of the Wawanesa, explained that his company attached an endorsement to the policy specifying the conditions applying to the replacement idea. He stated that there was no difficulty in getting this special form signed. Experience of the Wawanesa with the replacement clause policy has been unusually good.

The superintendents decided to refer the replacement feature to the standing committee, suggesting that it consider amendments to the insurance act which might do any of three things: make the policy subject to the review of the court; make it subject to the approval of the superintendent; or provide that the application be obtained on a form approved by the superintendent.

Supplemental Contracts

In recent months, the supplemental contract to the fire policy has been the centre of much interest. It has raised once more the problem of having to revise existing legislation to provide for new coverages. To obviate this difficulty in the future, the superintendents will recommend that section 95 of the Ontario act, and corresponding sections of other provincial acts, be repealed. In its place they ask that they be empowered to authorize and issue licenses to transact fire insurance, to include in fire contracts such other contracts as they may feel desirable. Further, a superintendent may determine which, if any, of the statutory fire conditions apply to other coverages.

The above recommendation of the superintendents took the form of general instructions to a drafting committee and the proposals will probably be dealt with at next year's conference.

Discussion on automobile insurance was limited almost entirely to the proposals of the Wawanesa Mutual for a drivers' policy. No recommendation was made by the superintendents.

Accident and Sickness

The committee on accident and sickness legislation was instructed by the superintendents to draft legislation following the lines recommended in the report. This legislation will be submitted to the 1938 conference. The committee will also co-operate with a recently appointed committee of underwriters with a view to standardization of contract wordings.

Discussion of life insurance was limited almost entirely to group business. While it was realized that some uniformity was desirable in writing this business, the superintedents made no recommendation.

One new standing committee was appointed. It will deal with "Regulation and Licensing of Agents," and will make its initial report to next year's meeting.

Officers elected at the conference were as follows: President, A. E. Fisher, Saskatchewan; vice-president, H. G. Garrett, British Columbia; secretary, H. D. McNairn, Ontario. The 1938 conference will be held at Vancouver following the Canadian Bar Association convention, probably late in August.

New Licenses

The following companies have been licensed for property damage insurance in addition to the classes for which they are already registered:

- American Alliance Insurance Company.
- American Equitable Assurance Company of N.Y.
- American Home Fire Assurance Co.
- Bankers and Shippers Insurance Co. of N.Y.
- Calendonian-American Insurance Co.
- Great American Insurance Co.
- Home Insurance Co.
- Merchants Fire Assurance Corp. of N.Y.
- New York Fire Insurance Co.
- Pacific Fire Insurance Co.
- Queen Insurance Co. of America.
- Fidelity-Phenix Fire Insurance Co. of New York.
- Niagara Fire Insurance Co.
- Continental Insurance Co.

* * *

Commerce Mutual Fire Insurance Co.—Falling aircraft, earthquake, hail, property damage caused by vehicles.

BIRTHDAY GUESTS

Executives of Manufacturers Life Insurance Co. played a prominent part in the golden jubilee convention held at Toronto last week. Snapped in front of the company's head office building, the group above includes, from left to right: J. H. Lithgow, general manger; A. Mackenzie, assistant general manager and manager of agencies; M. R. Gooderham, president; G. G. Mitchell, vice-president; F. Gordon Osler, a director; and E. S. Macfarlane, assistant general manager and executive secretary.

Golden Jubilee Of Manufacturers

Canadian Company Now Operating in 30 Countries

Manufacturers Life Insurance Co. this year celebrates its 50th birthday. Gathered in Toronto last week for the jubilee convention were representatives from all parts of the Dominion and from a number of the more than 30 foreign countries in which the company operates.

Early history of the company is closely associated with politics—although it is most unlikely that politics played a part in its direction. First president was Sir John A. Macdonald, first of Canada's prime ministers. And associated with him were a number of prominent politicians of the day, including Sir Leonard Tilley and Sir Charles Tupper. Even its name may be traced to politics. "Manufacturers" had its origin in the slogan of Sir John A. Macdonald's party, which had been returned to power pledged to a "national policy" of protection.

In its first year, the company wrote 915 policies for more than $2.5 millions. In the second year more than 2,300 policies were issued for insurance or more than $4 millions.

It is not surprising that the first policy should have been written on a Gooderham. That name has been prominent throughout the company's history. The family still holds the controlling interest in its capital. A Gooderham has been president of the company for two-thirds of its life, George from 1891 to 1901, W. G. from 1914 to 1935, and M. Ross from 1935 to the present.

When only five years old, it was decided that in view of the competition within the Dominion, the company should extend its activities to the British West Indies. The outcome of the policy is seen today in the fact that the Manufacturers Life operates in more than 30 countries.

The company now ranks sixth in size among all Canadian companies. At the end of 1936, assets were at the record total of $143.7 millions, and business in force was more than $532 millions. Business written annually amounts to some $57 millions.

Average Business Firm Has Short Span of Life

A surprisingly low life expectancy for Canadian business is shown by the experience of insurance companies writing credit insurance.

A study by American Credit Indemnity Co. has indicated that if a grocery store opens this week, probabilities are that it will be out of business by 1944. The average wholesale butter and egg establishment will not last even this long. Even a clothing manufacturer with more elaborate equipment has a "life expectancy" of slightly more than nine years. Considering each particular business as a whole, very few branches of merchandising, jobbing and manufacturing live longer than that.

For the most part it is true that when these enterprises have passed away others will take their places. But that is little consolation to their creditors. Millions of dollars are lost annually in business failures. Over a period of years the total has been materially higher than loss through fires. It is to protect themselves against this type of loss that businessmen buy credit insurance.

Claims Heavy

A few years ago, credit insurance companies were paying out more money in claims than they were receiving in premiums. In the last two or three years, losses have dwindled to a relatively small proportion of the total in the early 1930's. Premium volume has also shrunk, although naturally not in the same proportion. In fact, business in the Dominion in the first half of this year is understood to be 50% above a year ago.

In effect, credit insurance is a policy covering a host of risks—any factor which may destroy the credit of a company. And in 13 years of credit insurance in Canada almost $2 millions has been distributed in claims.

Insure "Good" Amounts

Despite this fact, to a remarkably large number of business and financial men, credit insurance is a term denoting a service with which they have a very vague acquaintance. Generally it is taken to imply protection of bad accounts. Actually, it is more than that. It is protection against loss from accounts which are supposedly good.

Credit insurance is really a guarantee, subject to the conditions of the policy that losses from bad debts will not exceed an amount, which experience has shown over a number of years to be normal.

Individual accounts may now be insured and general coverage policies are now available covering a firm's entire business, whether or not it has a mercantile agency rating. In fact, reasonable requirements of any wholesaler or manufacturer may now be insured.

A certain amount of loss from inability to collect accounts is inherent in almost every business. It is a recognized risk against which most concerns set up a bad debts reserve. Credit insurance makes no claim to reimburse a policyholder for this type of loss. It does provide, however, that the loss will not be in excess of the amount which experience has shown to be "normal."

Insurers Back Joint Committee

The majority of fire and casualty insurance companies definitely approve the work of the joint committee on definitions.

About three months ago, British Columbia Insurance Superintendent H. G. Garrett, in a statement endorsing the committee, called upon the companies to submit their stand. Letters were directed to 226 companies. Of these, 131 companies have signified approval, 78 have taken no definite position, 17 are absolutely opposed. Dissenters comprise two groups of companies, one board, the other nonboard.

Loans on Policy For Emergency

Far from being a regular investment outlet, policy loans are strictly an emergency measure, tending to defeat the object of insurance protection, A. B. Wood, president and managing director of the Sun Life Assurance Co., stated this week.

Mr. Wood emphasized that a decrease in the loan interest rate would be against the best interests of the vast majority of policyholders. This is no doubt a factor in the fixed rate charged on such loans. It was explained that loans on an insurance policy differ basically from those made for commercial purposes. Interest on the latter naturally fluctuates according to credit conditions.

Mr. Wood also dealt with a frequently-heard criticism of life insurance companies: That they encourage or want policies to lapse so that enormous profits can be made. In actual fact, he contends, the exact opposite is true, the companies doing all they can to retain business on the books. Even if it were true that large profits accrue to the companies from lapses and surrenders, he pointed out, the continuing policyholders would obtain the lion's share of the benefit. All profits, no matter what the source, merely increase the dividend fund and this must be distributed according to insurance law and the regulations of the company.

Educational Campaign

"Policyholders' funds must be safeguarded," warned Mr. Wood, "from the damaging effects of certain forms of legislation, designed possibly with the best of intentions, as for instance, to afford relief to certain sections of the community in distressed circumstances, but failing to appreciate the injurious effects upon other sections of the population.

"Fortunately, comparatively little such legislation has as yet been enacted in Canada, but sufficient, however, to make us alive to the dangers. Such movements, in so far as they affect adversely the business in which we are engaged, may be directly attributed to lack of knowledge on the part of their sponsors of the true nature of life assurance and its public character.

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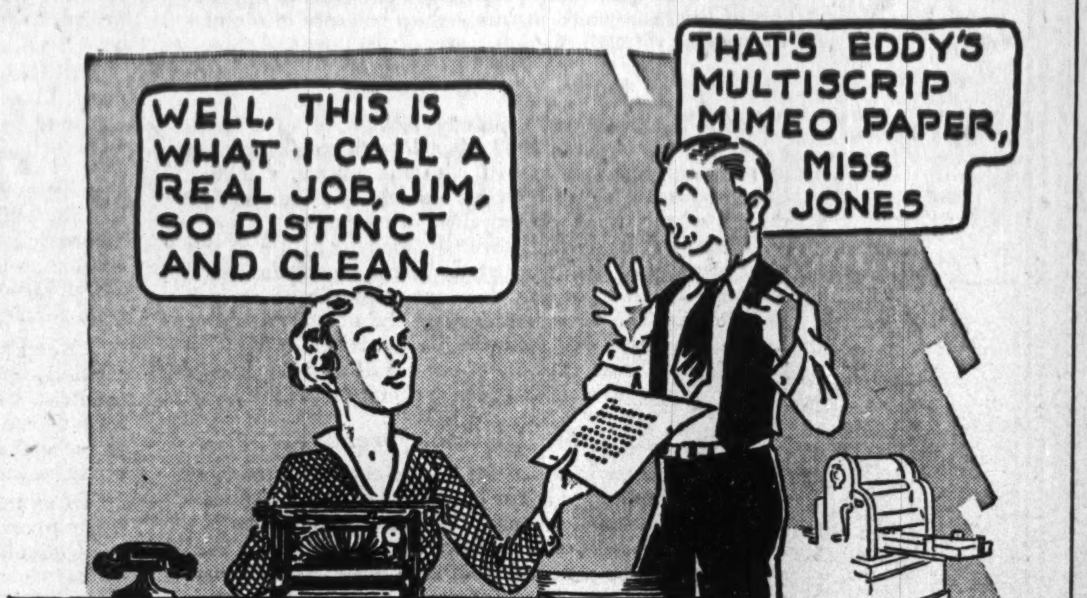
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Social Credit Explained

Royal Commission in Australia Refutes Basic Principle Of Shortage of Purchasing Power

A brief but thorough analysis of the theory of Social Credit, and a direct attack on its basic hypothesis—that there is a permanent shortage of purchasing power—are features of the voluminous report of the Royal Commission appointed to enquire into the monetary and banking systems of Australia.

The report has just reached Ottawa and is being closely studied in the light of the Alberta situation. It is regarded by Federal officials as the most comprehensive, and, at the same time, intelligible examination yet made by any impartial authority of the economic theories which Premier Aberhart and his colleagues are intent upon putting into practice. That it will be one of the most quoted documents of the coming session of Parliament, when the Federal Social Credit members are expected to vent their wrath against the King ministry for its disallowance of the Aberhart banking legislation, is taken for granted.

Study Purchasing Power

The Australian Commissioners examine carefully the basic contention of Major Douglas that there is a constant shortage of purchasing power, due to the alleged fact that a sufficient sum is never distributed to the workers in any industry in the form of wages to enable them to purchase the entire output of the industry. The fallacy in this reasoning, the Commissioners show, is to suppose that it is only the expenditures which an industry makes in wages which go to create purchasing power. All payments made, whether for wages, raw materials, services, rent, or taxes ultimately represent, it is demonstrated, purchasing power for someone. What Social Credit would have to establish to prove its case, the Commissioners point out, is that some element of the cost price of consumers' goods is never distributed as purchasing power to individual consumers.

The method which the Australian Commissioners take to establish the fact that all the elements in the cost of consumers' goods ultimately become purchasing power in some individual's hands is the most thorough yet adopted in any examination of Social Credit. Three actual industries in a related group are examined, namely, a farmer, a miller, and a baker and the actual costs of all three are analyzed. When it is done it is found that the entire price of the final product—the baker's bread—is distributed as purchasing power over a variety of individuals.

"A Plus B" Theorem

The Commissioners discuss the case in the well-known terms of the A plus B theorem which Major Douglas expounds. The originator of Social Credit refers to all payments made to individuals as "A" payments and to all payments made to other organizations (raw materials, bank charges, and other external costs) as "B" payments. As both "A" plus "B" payments go into the price of the article, but as individuals in the industry receive only "A" payments, it is his contention that purchasing power should be issued to the industry's workers to the extent represented by the "B" costs.

This argument might be valid, the Australian investigators point out, if the only purchasing power which an industry distributed consisted of its "A" payments (wages, salaries, dividends). Actually, however, it is distributing purchasing power just as directly in its "B" payments (raw materials, services, rent, taxes).

"The 'A' payments," the report emphasizes, "do not represent the whole of the income distributed by any factory to consumers and available to purchase its production. Sooner or later its 'B' payments will appear as 'A' payments in some other stage of production."

No Deficiency

Thus, the Commissioners conclude that, generally speaking, there is no deficiency in purchasing power which requires any artificial augmentation, and that the "dividend" which Social Credit proposes would only be a form of inflation.

"There are always," the Commissioners concede, "some people in the community who have not enough money to buy what is necessary for a reasonable standard of living. In this sense there is, at all times, a shortage of purchasing power. Also, the total purchasing power of the community is less at some times than at others. In times of depression, for example, the money income of the community is less, and the number of people unable to purchase necessaries is greater than in times of prosperity. In this sense there is, at some times, a shortage of total purchasing power."

But the Social Credit theory, the Commissioners point out, does not refer to a shortage in either of these senses. It alleges that "there is a permanent tendency toward a shortage of purchasing power, in other words, that the economic system can never distribute to consumers all the money which producers have to spend in the course of production."

In this sense, the Commissioners declare "there is no permanent tendency toward a shortage of purchasing power.

Time Element Discussed

The Australian report is noteworthy, in addition to its refutation of the wholly fallacious A plus B theorem, for dealing with later arguments, less obviously false, by which Major Douglas has urged his theories. Thus it scrutinizes the suggestion that the time element as a result of which some wages are spent before the product reaches the market, or the "cancellation of credit" by banks when they receive the repayment of a loan, or the money diverted from consumption into savings, may be factors in causing an insufficiency of purchasing power.

The time element problem is dealt with first. Major Douglas argues that, because production in some industries is a slow process, the purchasing power distributed in the early stages of manufacture has been spent and is out of existence by the time the completed product reaches the market. On this account, he declares that an ultimate shortage of purchasing power exists, which should be compensated for.

"If we consider one industry at a particular moment of time," the Royal Commission comments, on this argument, "it would no doubt be true that its goods cannot be sold unless the purchasing power distributed as costs is then in existence and used for that purpose. But that is an unreal position. No industry is self-contained. It is part of a complicated, continuous, and interlocking system. The available purchasing power at any time depends upon the continuity of industry as a whole. If each industry continues to carry on its operations, the available purchasing power consists of the whole of its wages, salaries, and profits, and these, in turn, will at least equal the total cost of the commodities produced." Interruptions in the continuity of industry as a whole, account, the Commissioners point out, for fluctuations in industrial activity—which are thus wholly different from the "permanent tendency toward a shortage of purchasing power" which Social Credit alleges to exist.

Credit Restriction

Similarly, the Commissioners deal with the contention that the "cancellation" of bank credit causes a shortage of purchasing power.

"It is customary," the report states, "for advocates of the Social Credit theory to refer to repayment of a bank overdraft as the 'cancellation of credit.' It is true that the debt of the borrower is thereby reduced or extinguished but the question is not whether individual accounts are cancelled, but whether the total volume of bank credit in use by industry or any part of it is cancelled. Provided that the bank is able and willing to lend the money to some other borrower, the repayment of a bank advance or overdraft has no more effect upon the purchasing power of the community as a whole than has repayment to any other lender. If, however, the banks are unable or unwilling to make fresh loans, there is a tendency for the purchasing power of the community to contract, just as there is a tendency for it to expand when bank advances are increasing. The point is that both of these are TEMPORARY conditions which do not prove the existence of a PERMANENT tendency toward a shortage of purchasing power."

Effect of Saving

Finally, the Australian Commission deals with the contention that the practice of saving creates a shortage of purchasing power, which must be made up by the issuance of some state "dividend."

"At any given moment," the report states, "some are saving out of income, others are spending past savings, and others again are borrowing against future income for the purpose of buying consumable goods. At all times, considerable amounts are being distributed to individuals in the form of superannuation allowances, friendly society benefits, and the proceeds of life insurance and endowment policies all of which represent savings, or the result of savings, made in the past. These examples show that the supply of purchasing power is affected by many influences to which the advocates of the Social Credit theory do not appear to attach sufficient weight.

"It is not denied that the relation between saving and spending may materially increase or decrease purchasing power. If the rate at which purchasing power is being withheld from the market by savings is not equalled by the rate at which it is being put back into the market by the production of capital goods, there will be a decrease of purchasing power and a tendency for prices to fall. If, on the other hand, the production of capital goods exceeds the rate of saving, there will be an increase in purchasing power and a tendency for prices to rise. But both these conditions are temporary, and afford no justification for the conclusion that the practice of saving, in itself, creates a permanent tendency toward a shortage of purchasing power."

NEW COMMISSIONER

Hon. L. E. Emmerson, K.C., of St. John's, has been appointed a member of the Newfoundland Commission of Government, succeeding Hon. W. R. Howley, K.C., as commissioner of justice. Mr. Emmerson was minister of justice in Newfoundland's last responsible government in 1934.

Banking

July Debits Decline 6%

Cumulative Total Still Above Last Year's Level

Bank account debits during July amounted to $2,721 millions, about 6% under last year's level. The decline is attributed largely to a lower volume of security trading as business generally was fairly well maintained at levels well in advance of 1936.

Maritime debits gained 11% and Quebec over 7% as against a year ago, with Ontario down 3.7%, British Columbia 8% and the Prairies 31%.

In comparison with the previous month, bank debits show little change after seasonal adjustment. This year brought greater than seasonal declines in the Maritimes, Ontario and the Prairies, with Quebec and British Columbia showing improvement.

Cheques cashed by the banks in the first seven months of this year were almost 4% greater than in 1936, with 28 of 32 clearing house centres reporting more active business. Only the Prairie Provinces lag, influenced largely by a sharp decline in Winnipeg.

Comparative figures of July returns are as follows:

Debits to Individual Accounts

	July, 1937 $	July, 1936 $
Maritime Provinces—		
Halifax	32,028,070	30,600,577
Moncton	9,600,001	8,230,469
Saint John	18,421,720	15,291,686
Total—Maritime Provinces	60,049,791	54,122,732
Quebec—		
Montreal	832,953,244	798,380,200
Quebec	78,092,485	52,456,500
Sherbrooke	7,241,052	6,005,636
Total—Quebec	918,286,781	856,836,336
Ontario—		
Brantford	10,415,009	10,198,479
Chatham	8,736,000	7,511,032
Fort William	5,767,133	5,349,973
Hamilton	61,647,718	51,486,824
Kingston	7,189,726	7,149,963
Kitchener	11,645,771	10,605,606
London	34,361,379	32,917,905
Ottawa	128,471,311	124,730,952
Peterborough	6,063,717	7,231,284
Sarnia	6,932,702	6,574,505
Sudbury	7,221,980	6,531,580
Toronto	850,008,085	911,640,337
Windsor	39,334,939	40,894,030
Total—Ontario	1,177,795,468	1,222,822,470
Prairie Provinces—		
Brandon	2,632,490	2,515,667
Calgary	52,273,626	53,905,692
Edmonton	34,591,396	29,972,506
Lethbridge	3,826,043	3,652,624
Medicine Hat	2,524,510	2,248,546
Moose Jaw	6,922,315	7,649,13[illegible]
Prince Albert	2,446,924	2,132,365
Regina	40,092,780	42,517,143
Saskatoon	9,688,935	10,152,151
Winnipeg	239,151,080	419,667,876
Total — Prairie Provinces	394,150,099	574,413,709
British Columbia—		
New W'minster	6,890,196	6,281,190
Vancouver	133,969,699	147,945,425
Victoria	29,595,745	31,236,062
Total — British Columbia	170,455,640	185,462,677
Total for Canada	2,720,737,779	2,893,657,924

Weekly Bank Clearings

	Aug. 26 1937 $	Change Year Ago %	Aug. 19 1937 $
Halifax	2,280,247	+13.8	2,374,534
Saint John	1,895,250	+20.5	1,896,813
Moncton	839,199	+22.0	758,011
Sherbrooke	723,507	+40.1	567,816
Quebec	4,445,032	+30.9	4,815,579
Montreal	94,835,833	+15.0	107,634,462
Ottawa	13,863,177	—17.9	14,439,828
Peterborough	565,862	+ 5.3	630,746
Toronto	96,632,877	— 3.6	112,364,634
Hamilton	6.403.510	+62.7	5,383,238
Kitchener	898,220	— 1.5	1,047,654
Brantford	785,106	+10.6	884,492
London	2,357,173	— 4.4	2,807,623
Windsor	2,957,257	+38.3	3,007,869
Chatham	468,007	+ 7.5	539,216
Kingston	525,113	+ 1.5	537,973
Sarnia	444,639	+11.6	442,555
Sudbury	1,005,529	+ 0.3	959,626
Fort William	720,670	— 0.2	726,934
Winnipeg	30,773,601	—48.2	30,881,105
Brandon	306,617	+ 7.3	301,864
Regina	3,190.336	—37.5	2,943,828
Moose Jaw	449,058	—22.0	669,368
Saskatoon	1,099,995	—15.9	1,187,919
Prince Albert	307,199	+ 0.7	379,363
Edmonton	3,474,334	+16.3	3,913,234
Calgary	4,549,221	+ 1.6	4,650,069
Medicine Hat	196,096	—22.7	234,061
Lethbridge	463,795	+ 2.0	457,453
N. W'minster	717,088	+15.0	691,122
Vancouver	15,431,045	+ 8.8	17,584,657
Victoria	1,556,549	+ 0.3	1,726,144

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Bank Chat

Defiance in Alberta

The latest blast from Alberta lends weight to the belief that the moratorium legislation was designed chiefly as an emergency measure to give Mr. Aberhart time to recover from the shock occasioned by disallowance of his banking bills. His decision that an attempt will be made to enforce these bills despite Ottawa's action comes as a surprise. It savors very much of a second desperate attempt to pass responsibility for failure of social credit on to either the banks or the Federal Government.

Bankers refuse to discuss the situation publicly, although they admit the situation is serious. Mr. Carlisle's "break" in suggesting that the banks might withdraw from Alberta has been explained, but early misinterpretation of his statement has made bank executives even more cautious. Just what course they intend to follow is a matter of conjecture. Some observers suggest that the banks may conduct a campaign of "passive resistance"; others that they will welcome any active measures of Mr. Aberhart as an opportunity of testing both the power of federal disallowance and the unconstitutionality of the legislation before the courts. It is generally agreed, however, that only as a last resort will they withdraw from Alberta.

• • •

Dollar Data

What is a dollar? Obviously, it is money, but, more specifically, how did the term originate? Linguists explain that dollar is a modified form of "thaler" which, in turn, is a shortened form of Joachimsthaler. This impressive title was given to a coin intended to be the silver equivalent of the German "gulden," a gold coin which circulated from the fourteenth century.

Foreign Exchange

FOREIGN EXCHANGE AT TORONTO AND MONTREAL

Par	Aug. 23	Aug. 24	Aug. 25	Aug. 26	Aug. 27	Aug. 28
U. S. dollar, High	1.00	1.00	1.00	1.00	1.00	1.00
Low	1.00	1.00	1.00	.99 31/32	.99 31/32	.99 31/32
1936, High	1.00 1/32	1.00 1/32	1.00 1/32	1.00 1/32	1.00 1/32	1.00 1/32
Low	1.00 1/32	1.00 1/32	1.00 1/32	1.00 1/32	1.00	1.00
U. K. pound	4.98¾	4.98¾	4.98¼	4.98⅛	4.97⅜	4.96¾
Australia	3.99⅜	3.99⅜	3.99	3.99	3.98½	3.97¾
Austria	.1890½	.1890½	.1890½	.1890	.1890	.1878
Belgium	.1685	.1684¾	.1684¼	.1684	.1684	.1684
Brazil	.0630	.0645	.0645	.0650	.0650	.0645
Czechoslovakia	.0349¼	.0349¼	.0349⅜	.0349½	.0349⅜	.0349⅝
Denmark	.2227⅝	.2227⅝	.2223⅜	.2225	.2220	.2218
France	.0375½	.0375⅝	.0375¼	.0374¾	.0374⅜	.0373¾
Germany	.4024¾	.4023¼	.4023¼	.4020	.4020	.4019
Greece	.0091½	.0091½	.0091½	.0091½	.0091½	.0091½
Holland	.5520¾	.5520¼	.5519¾	.5517½	.5514	.5513
Hungary	.1977⅝	.1977⅝	.1977⅝	.1978	.1976	.1977
India	.3772¼	.3772¼	.3768¼	.3770	.3763	.3757
Italy	.0526⅝	.0526⅝	.0526⅝	.0526¼	.0526¼	.0526¼
Japan	.2912	.2911	.2909	.2920	.2915	.1910
Jugoslavia	.0233½	.0232½	.0233½	.0233½	.0235	.0233½
New Zealand	4.02⅜	4.02⅜	4.02	4.02	4.01½	4.01
Norway	.2507¾	.2506¾	.2503¾	.2504	.2500	.2497
Poland	.1894	.1894	.1894	.1894	.1894	.....
South Africa	4.97¾	4.97¾	4.97¼	4.98⅛	4.97⅜	4.96¾
Sweden	.2572¾	.2572¾	.2569¾	.2569½	.2565	.2562
Switzerland	.2297¾	.2297¾	.2297½	.2296	.2295	.2295
Hong Kong	.3119	.3121	.3120	.3120	.3120	.3105

Strong Cash Position Seen For Alberta

Receipts for First Three Months Ahead of Last Year

CURRENT SURPLUS

From Our Own Correspondent

EDMONTON.—Though the chief instrument for dealing with its budget problems has been to repudiate the half of its bond interest contracts, the province of Alberta's current cash standing is in good shape, according to its latest financial statement.

For the first three months of the current fiscal year, that is, from April 1 to June 30, Alberta's cash receipts were $1,611,367 ahead of the same period in 1936. Cash payments were down by $717,280. The cash balance on income account was $2,437,083, compared with $108,435 a year ago at June 30. Against this, net payments on unemployment relief by the province totalled $1,065,970, leaving a surplus of $1,371,113. The corresponding figure a year ago was a deficit of $661,134.

The cash position of Alberta at June 30 is reported as follows:

	$
Receipts	6,230,657.36
Payments	3,793,574.09
	2,437,083.27
Unemployment net	1,065,970.18
Surplus	1,371,113.09
Capital paymts. over receipts	1,273,733.51
Combined surplus	97,379.58
Dominion loans	126,450.00
Cash on hand	223,829.58

The quarterly statement indicates that the Aberhart Government has not endangered its services by cancelling recently its sales tax, whereby some $600,000 anticipated revenue for the remainder of the fiscal year was surrendered.

Revenues Buoyant

The buoyancy of revenues is revealed in the gain of $1,611,367 in receipts. Chief items were $198,321 new revenue from sales tax; $158,512 increase from corporations tax, chiefly due to increased taxation on banks; $39,754 increase from gasoline tax; $989,184 increase from automobile licenses; and $72,920 from increased collections of timber, grazing and oil dues and rentals. Liquor board net income was up $60,075 in the three months.

Decrease of payments included $786,708 less debt charges, including reduced interest rates and suspension of sinking fund payments.

The net funded and unfunded debt of Alberta was reported at June 30 as $158,556,281, a decrease of $174,211. Against an increase of $126,450 in funded debt, the increase being in respect to two treasury bills sold to the Federal Government, sinking funds increased by $72,365. The unfunded debt, of which provincial savings certificates is the chief item, decreased by $889,069, of which reduction $314,944 was represented in redemptions of savings certificates.

Prosperity certificates, the ill-fated token currency issued last year, to a total of $19,840 were still outstanding at June 30.

English Newsprint Mills Ask $62¼ Per Ton for 1938

From Our Own Correspondent

MONTREAL.—English newsprint mills are quoting a minimum price at £14 per long ton, which is equivalent to $62¼ per short ton at the current rate of exchange, on new 1938 contracts, according to a bulletin issued by the Newsprint Association of Canada. This is an increase of $17.79 a ton over the price set by contracts entered into last year, and compares with a price of $50 per ton set by Canadian newsprint mills for the first half of 1938.

In July of last year, English newsprint mills made contracts for both 1937 and 1938 at £10 per long ton. The mills failed, however, to provide themselves with a supply of wood and pulp for 1938 and sharp increases in the cost of these raw materials made it apparent a few months ago that "the £10 newsprint contract price would be ruinous."

Consequently, the English mills have been negotiating with English publishers for revision of their existing 1938 contracts. It is now reliably reported, according to the Newsprint Association of Canada, that the publishers have finally agreed to an increase in the price provided by present contracts from £10 to £11½. This is a voluntary increase of $6.67 per short ton at the current rate of exchange.

In commenting upon the revision the bulletin states that "the English publishers thus accept the realities of rising newsprint production costs and demonstrate a realization that their own interests are jeopardized by a depressed newsprint industry."

Bank of Canada Weekly Statement

Balance Sheet

	Aug. 25 1937 $	Aug. 18 1937 $
Liabilities		
Capital paid-up	10,100,000	10,100,000
Notes in circ.	146,395,933	144,176,909
Rest fund	743,716	743,716
Depos.: Dominion	26,365,074	26,202,944
Banks	176,421,280	172,245,404
Other	906,846	824,137
Total deposits	203,693,200	199,272,485
All other liabs.	1,762,270	2,440,520
Total liabs.	362,695,119	356,733,630
Assets		
Reserve: Gold	179,489,202	179,507,300
Silver bullion	2,558,553	2,558,543
Res. in sterling and U. S.	26,957,372	23,889,428
Other curr.	985	985
Total reserve	209,006,112	205,956,256
Subsidiary coin	167,312	184,623
Investments:		
Dom. govt. short	44,887,021	41,884,010
Other Dom. govt.	93,864,189	93,877,701
Other secs.	10,985,528	11,002,027
Total invest.	149,736,738	146,763,738
Premises	723,657	719,783
All other assets	3,061,900	3,109,230
Total assets	362,695,119	356,733,630
Reserve ratio	59.70%	59.96%

Earnings Tripled By Eng. Electric

Report for Six Months Shows Substantial Improvement

Gross earnings, before depreciation and income tax, of English Electric Co. of Canada were $99,181 in the first six months of 1937. This compares with $32,913 in the same period of 1936. Net earnings for the first quarter of 1937 were $21,301, so that it is evident a substantial improvement must have taken place in the second quarter.

A promising outlook for the balance of 1937 should, if earnings continue at the present scale, result in a full year's profit at least twice the $1.55 per share earned on the class A in 1936

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F. H. WHEELER, Mg. Dir.,
St. Jovite, Quebec.

Gray Rocks Inn

5

ONTARIO

Ontario Elections—1937

NOTICE TO VOTERS

This notice applies only to the residents of the following Cities and Townships

Townships of Ancaster, Barton, East Flamboro, West Flamboro and Saltfleet
Brantford
Belleville
Chatham
Fort William
Galt
Township of Gloucester
Guelph
Hamilton
Kingston
Kitchener
London
Township of Nepean
Niagara Falls
North Bay
Oshawa
Ottawa
Owen Sound
Peterborough
Port Arthur
Sarnia
Sault Ste. Marie
Stratford
St. Catharines
St. Thomas
Sudbury
Timmins
Toronto
Welland
Windsor
Townships of Sandwich West, Sandwich East
Woodstock
Townships of East York, Scarboro, North York and York.

ENUMERATORS WILL CALL AT YOUR HOME

on

SEPTEMBER 7, 8, 9 or 10

to place your name on the Voters' List to be used in the coming election.

If the enumerator misses you he must be along your street or in your vicinity.

Get in touch with him.

MAKE SURE YOUR NAME IS ON HIS LIST.

The Province is doing its part to enable you to vote, but you have some responsibility yourself.

If you let these four days go by please do not then blame the Candidates or the Returning Officer.

It is your own responsibility.

Issued under the direction of

I. A. HUMPHRIES, K.C.

Chief Election Officer for Ontario

D-1

The Man in Possession

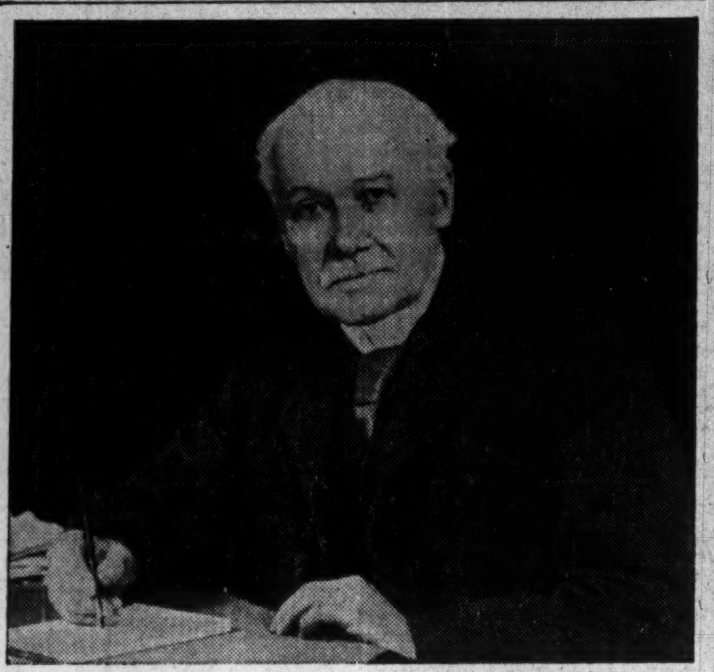
Continued Health at 89 Leaves Atholstan in Control of Policy of Newspaper He Sold

From Our Own Correspondent

MONTREAL.—Now in his ninetieth year, Rt. Hon. Lord Atholstan, Canada's Peer of the Press, arrives each morning shortly after nine o'clock in the modest office in the heart of St. James Street from which he still actively directs the destinies of the Montreal Star and other allied publishing enterprises which he controls.

He is silvery-haired. His complexion is pink-and-white. Although square of shoulders, he is thin of form. And although erect of stature, even the habitual wearing of an old-fashioned, square-shaped bowler hat fails to disguise the fact that he is considerably below average height. He is of a build which might have been described as stocky if he had ever filled out. But he never did.

Yet, despite his approach to 90 years, he is trim, fresh, alert, with his direct glance and his grim, paternalistic sense of humor—likewise his broad faculty for practical charity—unimpaired.



RT. HON. LORD ATHOLSTAN

Sold But Kept Control

Some 12 to 13 years ago he commenced to set his affairs in order. Such, at any rate, was the explanation which he gave when he sold J. W. McConnell, Montreal industrialist, The Star. It was an outright sale, with delivery of voting control stock upon his retirement or death. His lordship controls "policy" only. There is at least the suspicion that the shrewd Baron was less motivated by considerations of the uncertainty of human life than by the fact that newspaper properties at that moment were at an all-time peak of value.

Whatever Lord Atholstan's actual motive, he sold The Star to Mr. McConnell—delivery to be made only after his death. And it is as though the sale had lifted a load from his shoulders. For ever since it was concluded, his health, closely guarded at all times, has never been more generally favorable. He has come triumphantly through the eighties. If there is any weakening now, it is so little perceptible that a favorite joke around the dignified St. James Club is for its members to ferret out additional instances of longevity in the Atholstan family and report them to Mr. McConnell, whose hour of taking possession of the great journalistic property in which he has bought a reversionary interest seems no closer than it was when he purchased the property.

Climax to Career

The sale of The Star on the peculiar terms upon which it was made stands as the last important deal of Lord Atholstan of which there is public knowledge. That it was a bargain in which he did not come off second best is widely acknowledged. In a way—in its uncanny recognition of the right moment at which to act and in the shrewdness with which it was conceived and negotiated—it epitomizes the notable career of material achievement and driving, indomitable success which it climaxes.

Lord Atholstan was born plain Hugh Graham, near the small Quebec village of Huntingdon on July 18, 1848. The elder Grahams were Scottish landowners, industrious, independent, self-reliant, with a wealth of sound character to transmit. Young Hugh's initiation into the publishing business came at the age of 15, when he started to work as an office boy for his uncle, Edmund Henry Parsons, publisher of the Commerical Advertiser, which afterward became the Evening Telegraph. Inside of three months Graham was an assistant bookkeeper. In six months he was head bookkeeper and business manager. In two years he was offered and accepted the business managership of the Montreal Gazette.

He founded the Montreal Star at 18. There was a partner with him in the enterprise, George T. Lanigan, who was 22. Between them they had something less than $100 in cash—and no credit.

It was not an ill-assorted partnership. Graham was the business administrator. Lanigan was a descriptive writer of genius. With one to look after the box-office end of the publication and the other to lend a sparkle new to the stodgy journalism of the day, the paper should have prospered.

Day to Day Struggle

Instead, it had a hand-to-mouth struggle and was always hard put to elude the bailiff. Advertisers were slow to pay their bills and the people were slow to appreciate the new school of journalism which Lanigan represented.

Coal was bought by the bucketfull and paper by the ream. Oftentimes the printing of an edition could not be completed until the newsboys had returned with the pennies from the sale of the first half of it, so that more paper could be bought.

Finally, a crisis arrived when the neighboring plant, which had been supplying steam power for the press through a pipe in the wall, gave notice of its intention to cut off steam next day because its bill was unpaid. Young Graham solved the emergency with characteristic resource by an appeal to the farm near Huntingdon. A strongly built stallion was sent galloping toward Montreal. A treadmill was improvised. And for some weeks The Star's press was turned by the power thus furnished.

The turn in the paper's fortunes, however, was closer than its circumstances seemed to indicate. And, strangely enough, the events which resulted in Lanigan's severance from The Star became the means of its success. Lanigan found an "angel" in the person of a prominent Montreal financier, who was prepared to put it on its feet, providing it would advocate annexation to the United States.

Lanigan submitted the proposal to his partner. At the same time he revealed that he had an offer of $100 a week from a Chicago paper. Graham opposed the acceptance of the financier's offer. Lanigan went to Chicago and what looked at the time like fortune. The two partners separated on the friendliest of terms. But it was Graham who achieved fortune.

Patriotism Rewarded

For his rejection of the offer of financial aid on the condition of supporting annexation became known. The Star's creditors met and made a generous offer to release the paper from its liabilities. Graham refused. He wanted only time to pay everything.

Then came the election of 1878. In the interval Graham had come out openly in favor of a tariff policy for the development of a manufacturing industry in Canada. Sir John A. Macdonald dressed the proposal up as his now famous "National Policy" and won the election. From that moment The Star's prestige was established and its financial worries largely over.

From the time at which he became freer to enter into the life of the community without worrying over The Star's finances, young Graham—now not so young—gained increasing recognition for the forcefulness which lay in his character. Two incidents will illustrate.

In 1885 he returned from England to Montreal to find the city in the grip of smallpox, with a certain Dr. Coderre conducting a successful campaign against vaccination. Graham organized the leading men of the city. The City Council was forced to enlarge its Board of Health by the addition of citizens insisting upon action, including Graham. The propaganda of Dr. Coderre was vigorously combatted. Still it was apparent that the main problem was one of isolation for existing cases, since no contagious diseases hospital existed. Graham thought of the exhibition buildings out on Fletcher's Field, but the exhibition authorities indignantly refused. Graham got into touch with the authorities at Ottawa, explained the situation, and secured permission to use the Royal Victoria Rifles to enforce occupancy. The regiment was quietly mustered and marched, with Hugh Graham at its head, to Fletcher's Field, where the exhibition authorities barricaded the gates. It was Hugh Graham who climbed over, admitted the soldiery, and, before 24 hours saw an emergency isolation hospital in full operation.

Another historic Montreal episode was the mustering of the famous "Plug Hat Snow-Shovelling Brigade." The City Council could not be induced to clean St. James Street. Hugh Graham thereupon asked for volunteers from the street's proprietors. Bankers, financiers, captains of industry, lawyers, stockbrokers all appeared at The Star office in the traditional silk hats of the day, and were equipped with shovels. Word of the move reached the City Hall and an emergency meeting of the Council was called to get a regular snow-shovelling appropriation rushed through. The city could not afford publicity of the kind it saw in store for it.

Another illustration of his part in national affairs was the influence he exerted upon the sending of a Canadian contingent to the South African War in 1899. At first it seemed doubtful if Canada would send assistance. Then one day a cable despatch appeared in The Star: "This morning the New Zealand troops marched through the streets of London, creating intense excitement." Hugh Graham had the despatch rewired to every commanding officer in Canada, with the addition of the simple words: "Do you think Canada should move?" The replies came overwhelmingly in favor, and the effect upon public sentiment was tremendous. Sir Wilfrid Laurier decided in favor of a contingent. And in one of his characteristic actions, Hugh Graham insured the life of every member of the first regiment to go to the front.

As a consequence of his services he became first Sir Hugh Graham, and then Baron Atholstan—taking, as his title, the name of the small hamlet near Huntingdon in which he had been born.

As a publisher, Lord Atholstan pays his readers the compliment of assuming their intelligence. For years his leading editorials have been written by Dr. Albert Carman, one of the most distinguished minds of Canadian journalism.

Runs a "News" Paper

While he is a superb showman, with a sure instinct for journalistic "stunts" Lord Atholstan is a newspaperman who still believes that a newspaper's function is to give the news and that there is an interested public which wants to know, fully, reliably and intelligently, what is going on in the world.

His campaigns have not always been popular; neither has Baron Atholstan. His elevation to the peerage drew widespread criticism. He was the target for much outright abuse during the dispute which led to the Parliamentary address which closed the chapter of hereditary titles in Canada.

His pessimism in days following the war expressed in what became known as the "Whisper of Death" editorials drew attacks across Canada. His drive for union government at Ottawa during the depression won faint support from Rt. Hon. R. B. Bennett but was scoffed at in Liberal circles.

Bundle of Contradictions

His nearly 90 years present unusual contradictions. He has been accused of petty economies while giving lavishly and usually silently to varied philanthropies. The complaint used to be heard that newspaper salaries were low in Montreal; that publishers there never competed for newswriters' services in a way that might raise the salary level.

But during the depression he issued orders that the staff must not be reduced, that it be increased if at all possible.

It was during this period that the Baron asked the name of a stranger he had talked to on The Star elevator.

"That was Hangman Ellis," an old reporter told him.

"Does he work here too?" Lord Atholstan asked.

Power Shortage Is Seen For Ontario and Quebec

Under the title "Danger of a Power Shortage," Electrical News and Engineering, Toronto, in a feature article in the Aug. 15, 1937, issue, finds it possible that under adverse conditions of precipitation, present Ontario and Quebec producing capacity might fall short of the demand to be met within two or three years.

The article is partly based on the recent opinion expressed by the Quebec Electricity Commission in a report issued in connection with the proposed St. Maurice River development.

Admitting that it is not reasonable to expect the rate of increase shown in the past three years for firm power demand to continue indefinitely, estimated increases, according to the article, indicate that within two or three years very little excess capacity will remain under normal climatic conditions. "Under adverse conditions of precipitation, based upon these estimates, it is not improbable that the present producing capacity might fall short of meeting the then demand."

Most concerned about future power supplies is the district served by the Niagara system of the Hydro-Electric Power Commission of Ontario. In this connection, Electrical News and Engineering states:

"In spite of many statements to the contrary it is quit evident that the Niagara system is facing an impending power shortage unless something is done about it fairly soon."

Estimate of the available reserve of the Niagara system from all sources is given as only 60,000 h.p. this coming winter. Such a reserve would be "totally inadequate" for a system having a firm load of over one million h.p. For the Niagara system, which is subject to the vagaries of its Niagara plants, this reserve is dangerously small for operating conditions and "totally inadequate for future growth."

Capacity of the Toronto-Leaside terminal system, according to Electrical News, is of more immediate concern. This terminal receives all the Niagara system's eastern power and has a present capacity of 270,000 kv.a., or 362,000 h.p. Without calling upon the Gatineau reserve, the maximum amount of power that could be delivered from the east includes: 140,000 h.p. from Gâtineau; 40,000 h.p. from Maclaren; 230,000 h.p. from Chats Falls; a total of 410,000 h.p.

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Workers Informed By Plant Bulletin

Employees Posted as Part of Better Relations Programme

The necessity of keeping employees fully informed on all aspects of financing, management and operations of industrial firms is stressed in the successful employee relation programme developed by E. J. Barcalo, president of the Barcalo Manufacturing Co. of Buffalo.

Regarding officials and the 325 employees of the metal products concern as members of an "official family" with a common purpose and mutual problems, Mr. Barcalo has developed a plant bulletin as the channel of communicating full information on the company's affairs to the workers. In a statement in the "Executives' Service Bulletin" of the Metropolitan Life Insurance Co., Mr. Barcalo says:

"Unless there is free interchange of thought and information—and no secrets—time and money will be wasted and misunderstandings will frequently arise. Our belief is that management should place before employees such items as business figures and their meaning—where wages and profits come from, and the fact that they can only result from joint efforts. Also, management should discuss its problems with employees, freely, frankly and without reservation."

Simple Explanations

The Barcalo bulletin is a small folder capable of being carried in a workman's pocket, with three pages given over to discussion of phases of management, and one page reserved for personal items and comments. Some subjects discussed in the 15 months the pamphlet has been published were capital investment, surplus, use of year end bank balances, costs, taxes, compensation insurance, and the composition and destination of the company's products.

Annual statements are presented clearly with simple, explanations and bulletins are given explaining how costs are figured, analyzing inventory problems, and discussing the breakdown of profit on typical products of the company. Workers are invited to seek further information from company officials if they do not fully understand the material in the bulletins.

Similar plans have been adopted in some Canadian establishments, but management officials have been cautious in developing such plans. The chief problem of such systems is said to be setting a happy medium for the volume of information to be transmitted. It has been found that sometimes too little information is given, and on other occasions more information than could be readily understood by workers, with the result in both cases that dissatisfaction was created, misconceptions fostered, and seeds of trouble sown.

Aberhart Scheme Cribbed Promoters Run Foul of Law

An attempt to issue "Prosperity Certificates" has recently run foul of the Securities and Exchange Commission in the United States. United Prosperity Plan, Inc., was engaged in selling securities in Utah to purchasers for $200 in return for which the purchasers are given the right to use "Prosperity Certificates." These "Prosperity Certificates" were issued in denominations of $1 each and the issuance of the entire 200 to subscribers was spread out over a period of 19 weeks. Arrangements were made with merchants and others who had identified themselves with the movement that purchasers might use these "Prosperity Certificates" in lieu of cash in transacting business.

Purchasers of "Prosperity Certificates" were required to spend the same within three days or, in lieu thereof, to place a special two-cent stamp on the back. The stamps were sold only by United Prosperity Plan Inc. A two-cent stamp was also to be placed on the back of a "Prosperity Certificate" whenever they were spent by the persons receiving the certificates. Altogether provision was made for attaching 55 such stamps on the back of each $1 certificate. The sponsors of United Prosperity Plan Inc. hoped to derive a profit of approximately 10 cents from each certificate through the sale of stamps.

A further provision of the plan was that, if the stamp affixing plan worked perfectly, a subscriber to 200 prosperity certificates would receive an additional 822 "Prosperity Certificates" at a value of $1 each. These additional certificates would be delivered to subscribers over a second period of 19 weeks.

Unfortunately for the sponsors of this idea, the Securities and Exchange Commission has filed a bill of equity against United Prosperity Plan, Inc., in the U. S. district court for Utah.

Big Relief Roll In Saskatchewan

Over 500,000 people, more than half the population of the province, will be on relief in Saskatchewan this winter, according to an estimate made by Hon. R. J. M. Parker, minister of municipal affairs.

In order to cope with the increasing burden of relief administration in Saskatchewan the Government is transferring 15 employees from other departments to act as relief inspectors. This will bring the total number of relief inspectors to 40.

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TRADE INQUIRIES TO THE LOEWE COMPANY [illegible] UNIVERSITY ST. MONTREAL

Mackenzie Air Service To Establish U. S. Link

From Our Own Correspondent

MONTREAL.—Arrangements are now being made by Mackenzie Air Service for a regular schedule from Edmonton to Great Falls, Mont., to link up with the Western Air Express Line from Santiago, Calif., to Salt Lake City, Utah. The latter company's lines cross or connect with the schedule of the major American companies operating an east west service in the western states

Fattening EGYPT'S LEAN KINE

TONS OF CANADIAN NICKEL IN THE GREAT ASWAN DAM . . .

ONCE A YEAR life-giving moisture comes to the almost rainless land of Egypt. Away in the Abyssinian highlands the torrential rains of late summer swell the Blue Nile. Some weeks later this freshet of "red water" spreads over Egypt's agricultural region, bringing moisture and fertility.

Today this annual deluge is collected behind the great Aswan Dam, to be doled out to thirsty acres during the lean months of the year. Built to a height of 70 feet in 1901, this dam was raised 16½ feet in 1905, and recently another addition of 29 feet was found necessary.

Some 250 tons of stainless steel plates containing 9% Nickel were used to separate the old and new masonry, because such plates minimize friction and are not subject to corrosion. Nickel alloys are also used for the roller tracks of the sluice gates.

With the help of better materials, man's engineering genius is today conquering obstacles that were insurmountable a few years ago. In the forefront of these materials go Nickel and its alloys to provide greater strength, toughness and corrosion resistance.

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Vol. XXXI — Member of Audit Bureau of Circulations — PUBLICATION OFFICE: TORONTO, SEPTEMBER 4, 1937 — 10c a Copy; $5.00 a Year — No. 36

Textiles Surmount Major Problems

Increase in Domestic Market Main Factor in Offsetting Rapid Gain in Import Competition—Labor Tension Eased—Production Costs Rising

Meeting major developments in the field of tariff changes, labor difficulties, and public investigation within the past year, the textile industry has nevertheless achieved a current position featured by many indications of strength and reassurance to the discriminating investor.

The strain of the situations with which the industry has had to deal since the last annual textile review of The Financial Post, has created an outlook somewhat clouded by apprehension as to anticipated developments and the effects of those in the immediate past. On the whole, however, the major problems confronting the industry are far from insurmountable, and do not seriously affect its ability to maintain its past record of expansion, growing stability, and profitability of soundly operated companies.

Traditionally the worst worries of this industry have been potential ones based on the future. Upon arrival they have often proved less formidable than anticipated and the industry has achieved its success by meeting immediate problems rather than by moaning low at the Wailing Wall of future threats.

Butt of Prejudices

By its very nature and domestic position, the Canadian industry has proved almost an ideal butt of political forays and is subject to periodic fluctuations of public favor and fundamental prejudices. Climatic, social and economic factors render the bulk of textile products virtual necessities. Comparatively negligible exports establish it as purely a domestic industry. Dependent to a large extent on equalizing of foreign competition, the industry has often failed to get sufficient of this equalization to satisfy its demands. But the industry is the favorite whipping boy for those seeking illustration for a gospel of free access by consumers—and especially primary producers — to products of world markets; those who see tariff walls merely as casters of dark shadows in which prices are held up and labor exploited.

Against such a background the industry is now moving forward in anticipation of what business and politics may produce within the next year or so. The important thing for the investor in textiles is that the movement is forward. For, despite the ups and downs of public esteem and the waves of tariff "adjustmen," the history of the industry has been one of steady progress and expansion, and in recent years the governing trend has been briskly upward.

Despite periodic sacrifices to political pressure and international trading considerations, the basic principle of textile tariff protection has been retained and the trade has been able to supplement this with aggressive competitive devices of production and distribution, with modernization of machinery and smartened styles.

Advance Continued

Broadly speaking, the industry has consolidated its gains and continued the advance of recovery during the past 18 months, in the face of various adverse developments. There seems no reason to suppose that it will prove incapable of doing the same in the face of the potential difficulties confronting it in the visible future.

—Photo courtesy Belding-Corticelli Ltd.
Styling—an increasingly important factor in Canadian sales.

The broad trends and general picture of the industry apply in varying degree to its numerous divisions, and to the companies within each division. Investors who have found the industry a satisfactory field of participation have found it necessary, more so than in regard to most industries, to acquaint themselves with the nature and status of each division, and check the function and profit basis of companies within the group. Detailed information as to the operations of textile units with investor interest are embraced by the special textile section which features this issue.

Under an inclusive interpretation, the textile industry includes all divisions in both the primary and secondary industries. The secondary industries, engaged principally in conversion of fabrics into wearing apparel and other articles ready for consumer use, are closely related to and dependent upon the stability of the processing, spinning, weaving and other primary fabric producing industries.

But the secondary textile industries perform a specialized function of converting materials into consumer merchandise, a process in which the primary textile groups are not an integral part but essentially a source of supply. The secondary units are affected by a different set of factors in regard to foreign competition, labor, production and financing, so different that these industries are thought of under the generic term "textile" only by a broad and elastic classification.

Difference in Financing

The divergence in financing setup is marked. To develop a gross production value of $197 millions in 1935, the primary textile industries required a capital investment of $233 millions. In the same year, a closely comparable production of $160 millions was achieved by the secondary textile industries with a capital investment of only $96 millions.

Such heavy capitalization is required partly because upon the primary industries falls a large part of the burden of initial financing of textile distribution, and of stabilizing credits in textile converting and distributing operations.

Considering the wide variations in the nature and methods of various sections of the primary industry, it is remarkable that there are so many factors and problems affecting the industry as a whole. Out of such problems arise special difficulties limited to individual sections of the industry, but the basic source is the same for all units.

The two outstanding current factors with latent influences affecting the whole industry are the drafting of the Turgeon Textile Enquiry report, and the imminent minimum wage enquiry into the industry in Ontario by the provincial Industry and Labor Board. As the labor situation in Quebec has produced a similar effort to set wage levels in that province, the great bulk of the industry in Canada is the object of a move likely to affect one of its major cost items.

The industry currently believes that it will be early next year or even next spring before the Turgeon textile report is completed and filed. In many quarters, it is felt that should the report contain any criticism or adverse recommendations, they will not be unduly so. In any event, the industry is enjoying the breathing spell. What is feared more than the report or any implementing of its recommendations, is the possibility that the Government will take action affecting the industry independently, either before or after the report is filed.

Further Tariff Cut

In regard to the rayon industry one such development that is regarded as unavoidable is the further lowering of the fixed value for import duty purposes of the Japanese yen, early in 1938. Under the renewal of the trade agreement with Japan in January, 1936, which abolished the surtax on Japanese imports and reduced the fixed value of the yen from 42 cents to 39.5 cents, the fixed value each year is to be based on a rationalized average for the previous five years.

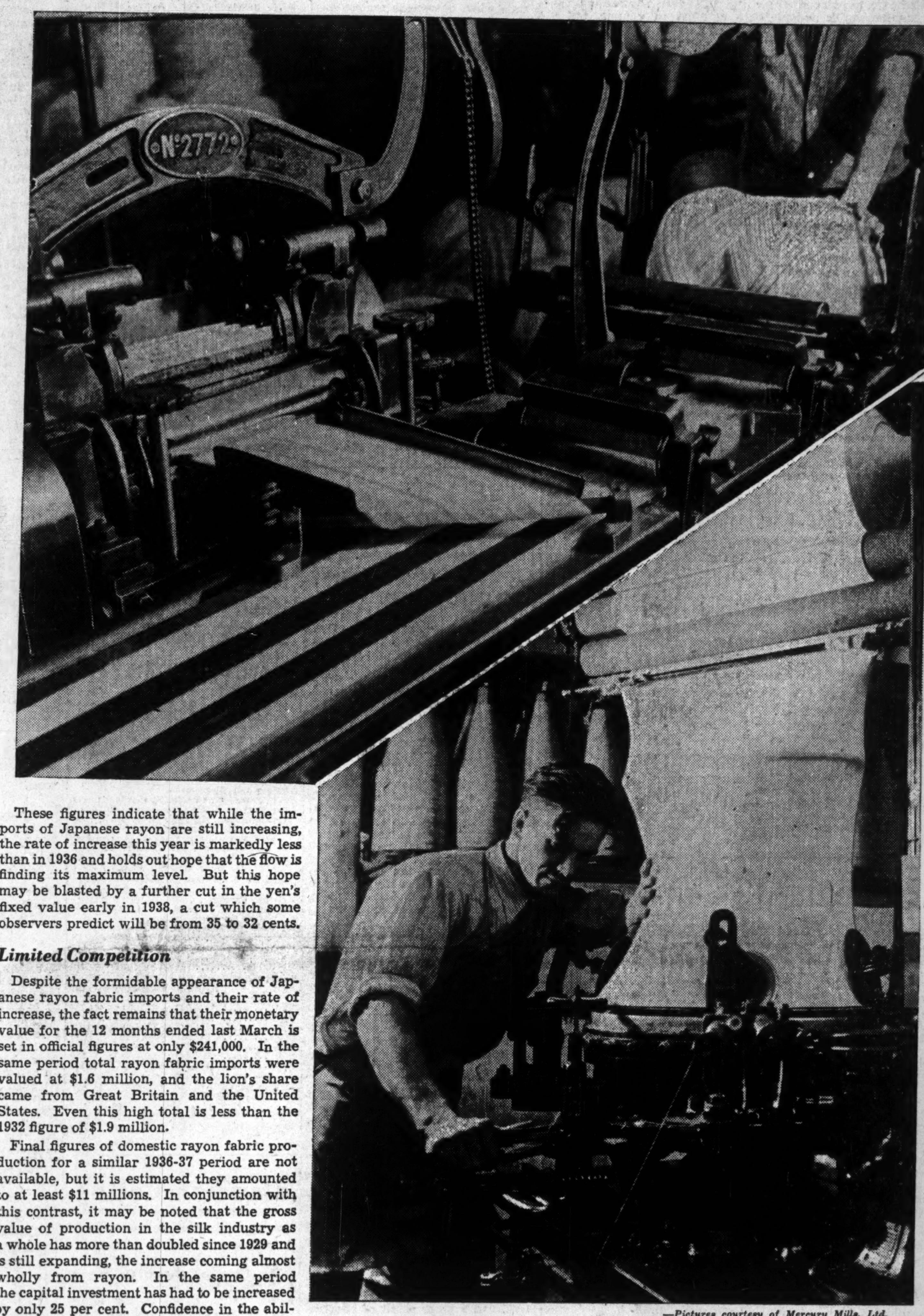
Such a tariff adjustment, particularly if it is supplemented by further changes in tariffs on British rayons, would be of particular effect on manufacturers of rayon fabrics. Canada imports a substantial total of artificial silk yarns, but these amount to less than 60 per cent of the value of imported fabrics from all countries.

During 1936, Japanese imports of rayon fabrics were five to six times as great as in 1935. Although the increased total was less than $250,000 the invasion had an unsettling effect on price structure and competitive factors. Early this year, the fixed yen value was cut again, this time to 35 cents, in effect cutting duties on rayon imports by 20 per cent. The effect of these successive reductions is shown in the following table, based on reports from Japanese sources of rayon tissue exports to Canada:

Rayon Fabric Exports*
(Japan to Canada)

	1st Six. Mos.	2nd Six Mos.	Total
1935	219,868	158,696	378,564
1936	1,178,987	1,860,328	3,039,315
1937	1,746,304	....	....

*In square yards.



—Pictures courtesy of Mercury Mills, Ltd.
Machinery and equipment in Canada's textile factories is as modern and efficient as can be found. Illustrated are machines for worsted top mixing (above) and underwear knitting (below).

These figures indicate that while the imports of Japanese rayon are still increasing, the rate of increase this year is markedly less than in 1936 and holds out hope that the flow is finding its maximum level. But this hope may be blasted by a further cut in the yen's fixed value early in 1938, a cut which some observers predict will be from 35 to 32 cents.

Limited Competition

Despite the formidable appearance of Japanese rayon fabric imports and their rate of increase, the fact remains that their monetary value for the 12 months ended last March is set in official figures at only $241,000. In the same period total rayon fabric imports were valued at $1.6 million, and the lion's share came from Great Britain and the United States. Even this high total is less than the 1932 figure of $1.9 million.

Final figures of domestic rayon fabric production for a similar 1936-37 period are not available, but it is estimated they amounted to at least $11 millions. In conjunction with this contrast, it may be noted that the gross value of production in the silk industry as a whole has more than doubled since 1929 and is still expanding, the increase coming almost wholly from rayon. In the same period the capital investment has had to be increased by only 25 per cent. Confidence in the ability of the industry to hold its own cannot be seriously shaken by such developments.

Taking the silk industry as a whole (real and artificial products), the proportion of competitive imports to domestic production is still approximately 10 per cent, or markedly lower than the proportion for all primary textiles. Raw silk imports are excluded from the comparison. Taking rayon fabrics alone, in regard to which the Japanese invasion is the most serious, the proportion to production here of imports from all countries has been somewhat higher, at about 15 to 20 per cent.

Price Dislocation

This position highlights the fact that the chief objection of the whole primary industry to inadequately checked imports has not been so much in regard to the portion of the domestic market carved out by foreign competitors, but to the dislocation of price setups and general competitive conditions within the industry. With the proportion of output diverted to export channels remaining virtually static at between 5 and 7 per cent excepting the silk stocking industry, keen competitive struggles for the domestic market have of necessity kept price levels finely shaded at low points.

Official figures of gross total textile imports are apt to be misleading on casual scrutiny, for they include the value of raw cotton, silk, wool and combed wool worsted tops, which the industry must import for basic materials. In 1935, these raw materials accounted for nearly $30 millions out of a total textile import of $85 millions, the residue constituting roughly 28 per cent of the gross value of primary textile production in that year. Wool piece goods imports went as high as 42 per cent; cotton piece goods held 27 per cent of the market.

In the 12 months ended with the middle of this year, gross textile imports of $110 millions included raw material supplies totalling $41 millions. The residue of $69 millions constitutes less than 33 per cent of gross production in the same period, which is estimated at $210-$215 millions on the basis of a recorded 5 per cent increase in the first half of the year in primary textile employment.

Share of Market

This would indicate that the percentage of the domestic consumption market served by imports of processed and fabricated textile materials, has not increased sufficiently to alter radically the proportion held by Canadian primary textile industries, or enough to prevent a steady increase in Canadian production volume. Despite the prodigiously rapid increase in textile imports, the total Canadian market has expanded and the raw material requirements of the Canadian industry have jumped, leaving the relative contribution of imports and domestic products altered comparatively little.

The market percentage held by domestic industry may, however, be diminished at the end of this year and early next. The substantial reductions in tariffs on wool and cotton fabrics from British sources made early this year in the budget and the new British trade pact, were promulgated too late to be reflected in import and domestic production figures so far in 1937.

The British trade had virtually finished booking Canadian orders by the time the tariff changes came into effect, and in any event was too busy taking advantage of the British rearmament boom to attempt to reap the benefit of the lowering of Canadian tariff bars, especially in regard to wool and cotton piece goods.

British Imports

It is anticipated, however, that the tariff changes will make possible offering of British imports on a lowered price schedule this fall and winter.

It is difficult to estimate whether the rate of the anticipated increase in wool and cotton imports will be as great as that prevailing early this year, as the outcome of 1936 revisions. Sales of imported wool cloth in Canada during the first half of this year increased by 9.3 per cent over 1936, and those of imported cotton cloth by 11 per cent.

Importations of rayon cloth from all sources showed a relatively greater increase.

The comparative figures follow:

Imports into Canada
(In pounds)

	First Six Months 1937	1936	Increase
Wool cloth	5,511,861	5,040,340	470,521
Cotton cloth	10,478,971	9,362,706	1,016,265
Rayon cloth	10,060,669	454,826	605,843

With the continued upswing of business recovery assuring further expansion of the total domestic market, the Canadian primary industry can at least depend on a further increase in its volume of production even if it does lose an additional small percentage of the market to foreign competitors.

Problem of Costs

What is worrying the industry more than prospective tariff effects is the problem of rising costs and inability, in the face of low price foreign competition, to offset the shrinkage of profit margins by raising selling prices. The upward trend of raw wool prices which began last fall is continuing, and the cost of raw silk, which has held at a level substantially higher than last year, turned up again recently under the influence of war conditions in China.

The decline of cotton prices which commenced in April was accelerated by the official United States Government forecast of a bumper crop of 15.5 million bales. Quotations are currently down to slightly over 10 cents a pound, in comparison with a level close to 15 cents earlier in the year and 12 cents a year ago. Cotton mills nevertheless share with the woollen and silk-rayon industries the steady advance in the cost of auxiliary materials and services, such as washing chemicals, dyes, general supplies and commission processing.

Furthermore, the industry is confronted with the prospect of a rise in wage levels beyond the gradually rising scales which have been established during the recovery period of the past two years. As a means of settling the recent strikes in Ontario at Peterborough and Cornwall, the Ontario Government has undertaken to have minimum wages set for the industry by the Industry and Labor Board, and persistent efforts have just ended the Dominion Textile strike in Quebec on a similar though less conclusive basis.

The long term consequences of the strikes thus appear of greater importance than the immediate suspensions of production they forced.

Higher Wage Scales

While it appears unlikely that the Ontario board will order any arbitrary, unjustified wage advance that would burden the industry, it would seem inevitable that some increase will be decreed, if for no other reason than political effect and avoidance of further outbreaks of labor trouble. Paralleling this is the prospect that Dominion Textile and other Quebec companies will also lift wage levels, either through a Fair Wage Board order or through concessions to unionized workers.

It may prove a more difficult and lengthy process to achieve final adjustment of the labor restiveness in Quebec than in Ontario.

The Quebec labor trouble was far more widespread, affected a larger number of men than walked out in Ontario, and lasted after the Ontario settlement. The Ontario difficulties affected not more than 2,000 workers in two centres, while strikes in Quebec have affected nearly 11,000 employees in eight or ten different localities.

Quebec operators may concede wage advances which will tend to equalize the present disparity between Quebec and Ontario pay averages. Latest available statistics illustrating the substantially lower level of Quebec textile wage scales date back to 1934, since when increases ranging from 5 to 15 per cent have been put into force, principally for men workers. In 1934, the Ontario weekly pay average for men was nearly $4 higher than in Quebec, and the average for women about $1 higher.

Varied Effect

Assuming that price increases to absorb any wage advances would be prevented by competitive factors, particularly from abroad, the effect on profits of pay increases will likely vary considerably. Average pay of all workers in the two provinces in various branches of the industry ranges all the way from $10.24 to $23.24. In some cases, companies and industries with high pay levels are those which have been able to achieve net profit percentages above the average for the industry as a whole.

A complicating factor in regard to future earnings capacity springs from within the industry itself. This is the steady encroachment of rayon wearing apparel into the markets of the older fabrics—real silk, cotton and, in recent years, wool. Rayon's appeal of price, appearance and steadily improving wearability had been largely responsible for the fact that the real silk industry has shared little, if at all, in the upsurge of economic recovery, and is now in a more or less static condition.

This understandable effect of rayon competition is now being supplemented, keen observers in the industry report, by invasion of markets hitherto dominated by cotton and woollen fabrics. Clothing made of wool with a 25 per cent rayon content has been produced successfully in Germany and to a certain extent in England, and its introduction in this country is considered a prospect by no means far distant.

Modernization

This tendency has been fairly well offset so far by the cotton and wool industries through modernization of machinery and production methods, and by aggressive competition in regard to styling and development of new materials. During the past seven years, importations of textile machinery into Canada have totalled $22.5 millions, and are expected to run close to $4 millions this year. Substantial sums have been spent by numerous firms on extending and improving plant facilities.

One of the bright spots in the industry has been and still is the ability of the silk hosiery producers to build up an export market, an achievement not paralleled on any substantial scale by other sections of the industry. During the 12 months ended last March, Canadian exports of (real) silk hosiery totalled $2.7 millions, representing 20 per cent of Canadian production and an increase of $600,000 over the previous year. The exports go preponderantly ($1.4 million) to British South Africa, with shipments of $400,000 and $300,000 going to New Zealand and the United Kingdom, respectively. The hosiery shipments account for over 25 per cent of all Canadian textile exports aside from raw wool.

How long this will last is open to conjecture. At present, Canadian stockings are far superior to British makes in quality, style and low-price appeal. But it is probable that eventually British makers will bestir themselves to get modern machinery and put themselves in a position to compete with Canadian exporters on an even basis.

Strikes Take Toll

All Branches of Textile Industry Affected by Labor Troubles During the Year — Government Intervention

Labor troubles have taken their toll in practically all branches of the Canadian textile industry this year.

Dissatisfaction with wages and working conditions indicated at the opening of the Turgeon textile enquiry late last year has provided a growing undercurrent in the industry. Activities of the Committee for Industrial Organization textile unit in Ontario and of the National Catholic unions in Quebec hastened organization of unions in a number of mills and resulted in summer strikes in both Quebec and Ontario plants.

List of Strikes

Up to the end of August strikes had been called against the following companies:

Dominion Textile Co.: All nine plants in Quebec closed, but the company reopened three plants in Montreal on a partial production basis without effecting a settlement with union leaders. Production in all plants, including Valleyfield mill of Montreal Cottons Ltd., resumed this week under settlement achieved through mediation of Premier Duplessis.

Canadian Cottons three plants at Cornwall closed by a strike. Other plants unaffected. Settlement of strike reached through mediation of Ontario Government.

Dominion Woollens and Worsteds Auburn and Bonner-Worth mills at Peterborough closed by strikes. Plants reopened several weeks ago following agreement to abide by minimum wage findings of Ontario Industry and Labor Board.

Paton Manufacturing Co.'s Sherbrooke plant closed temporarily in August following dispute between two unions represented among employees.

Actonvale Silk Mills plant at Actonvale, P.Q., closed down the middle of August when the majority of workers went on strike.

St. Lawrence Silk Mills troubles at Cap de la Madeleine were settled and the plant resumed operations after about 10 days shutdown.

It will be seen from the foregoing that labor troubles were fairly general. The most serious, of course, was that of Dominion Textile Co. whose 10,000 employees were called out.

Two Unions Active

The striking activities of the textile employees have been directed in Quebec by the Federation Catholique Nationale du Textile Inc. and in Ontario by the National Textile Council, composed of former C.I.O. textile units. In both cases demands on the employers included among other things, increased wages, better working conditions and recognition of the unions as the sole bargaining agency through a collective labor agreement.

Conditions in the textile industry have been particularly good over the past two years and the companies have passed on part of their higher earnings in increased wages. There is no doubt but that in some plants working conditions have not been satisfactory, but this cannot be applied to the industry as a whole.

The companies concerned have steadfastly refused to recognize the unions. Those operating in Ontario have agreed to abide by any basic wage decision handed down by the Ontario Industry and Labor Board. Those in Quebec have similarly agreed to comply with wage rulings of the Quebec Fair Wage Board which came into being on Sept. 1, but the strikers insist on a collective labor agreement.

Refusal of the Catholic National Syndicate to call off the strike and submit its grievances to the Fair Wage Board when it came into being, called down the ire of Premier Duplessis. Speaking at Knowlton about the middle of last month, he said the strike leaders were "not animated by the interests of the workers, but rather by personal ambitions," and that they could well have waited until the Fair Wage Act came into effect. It was true, he added, that the workers in the textile industry had been exploited by the companies, but did not believe that conditions could be blamed on the present Government.

During the latter half of August and following the Premier's speech, several minor clashes occurred at different points when employees of the Dominion Textile Co. seeking entrance to the works were attacked by union strong-arm squads. A certain amount of police protection was afforded, especially in Montreal. In other parts of Quebec companies complain that there has been an absence of adequate protection.

Dominion Textile Co. has reopened several of its Montreal mills under police protection. The company, through letters directly to its employees and by open letters in the daily press, has set forth its position in regard to the striking workers. Declaring it has no intention of submitting to the union's demands for a collective labor agreement, the company has urged submitting any differences to the Government board.

Explaining the essential differences between the Fair Wage Board of Quebec and the laws under the officers of the Catholic National Syndicate wished to negotiate the collective labor agreement, G. Blair Gordon, managing director of Dominion Textile Co. pointed out:

"Under the provisions of the Fair Wage Act, the board fixes the wages to be paid, the hours to be worked and the working conditions. To pay its expenses the board is entitled to assess only the company an amount up to 1% of the total payroll of the company and not one cent would be charged to or assessed the employees.

"Under the collective labor agreement desired by the officers of the union the company and the employees are assessed an equal amount each up to an amount one-half of 1% of the total payroll, which means that each employee would probably have to pay one-half of 1% of his total wages which would be deducted out of his pay and paid to the joint committee, which will be appointed to administer the agreement.

"The payrolls of Dominion Textile Co. and its subsidiaries amount to approximately $5 millions yearly, which means that a maximum of approximately $50,000 a year will be available to go to the joint committee for salaries and expenses. Half of this joint committee will be chosen by the union. I presume that the union will probably appoint some of its own officers to be members of the committee, each of which will have an equal voice in arranging the disbursement of the said maximum of $50,000 for salaries and expenses.

"On the other hand, under the Fair Wage Act, the said maximum of $50,000 will be paid to the Fair Wage Board, none of whom will be officers of the union, and will be used to pay the salary and expenses of that board."

Bruck Silk

Operations This Year Have Shown Improvement — Dividends Are Deferred

Operations of Bruck Silk Mills Ltd. in the current fiscal year have been better than last year and the company's plant is at present operating at a high percentage of capacity.

Results in the year ended Oct. 31, 1936, were disappointing, net profits dropping to $2,475 as compared with $150,313 in the previous year. Sales in the first eight months of the year showed an increase of 1¼% in volume and a decline of over 8% in value. In the final four months there was improvement so that sales for the full year showed an increase of 2¾% in volume, but a decline of 2.8% in value. The decline was due to abnormal climatic conditions, resulting in hesitant consumers, irregular demand and unsatisfactory prices.

As a result of reduction in earnings the company reduced the quarterly dividend from 30 cents a share to 10 cents a share in June, 1936. In June of this year, the dividend was deferred despite reported improvement in operations.

Decision of the directors to defer the dividend resulted from the prevailing world shortage of the company's principal raw materials. In order to assure it of uninterrupted supplies directors felt it necessary to acquire and carry a substantial stock of raw materials. To maintain a good working capital position and to conserve liquid resources directors considered it advisable, therefore, to defer the common dividend. Working capital as at Oct 31, 1936, amounted to $701,065 as compared with $815,283 in the previous year.

Capitalization—	Authorized	Issued
Com., n.p.v. ...	150,000 shs.	125,000 shs.

Funded Debt—
First mortgage 6% bonds due 1945, $436,700.

Dividend Record—
None at present. Formerly 40 cents per annum, payable Jan., Apr., July and Oct. 15. Initial quarterly dividend of 25 cents paid Feb. 15, 1929, and regularly to May 15, 1930. None thereafter until 25 cents paid Jan. 15, 1934, and quarterly to Jan. 15, 1935, when 30 cents paid; maintained at rate of $1.20 per annum to Apr. 15, 1936; reduced to 40 cents July 15, 1936. Payment due July 15, 1937, passed.

Head Office—Montreal.

Officers and Directors—
Officers—Isaac L. Bruck, pres. and treas.; L. S. Lee, vice-pres.; H. Stern, sec.
Directors—Isaac I. Bruck, H. de M. Molson, Paul P. Hutchinson, M. Darling, H. D. Dwyer, A. M. Flanders, H. Stern, Montreal; G. Eric Reid, R. G. Ivey, London, Ont.; L. S. Lee, Cowansville, Que.; W. B. Phillips, London, Eng.

Times Mortgage and/or Bond Int. Earned

	1936	1935	1934
Before deprec. ...	4.29	9.83	10.97
After deprec.	1.17	6.89	8.18

Earnings per Share and Div. Record—

Com.: Earned ..	$0.02	$1.20	$1.47
Paid	0.80	1.20	1.00

Seven Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1930	62,743	75,000	375,560
1931	111,036	......	387,927
1932	135,078	......	411,970
1933	287,621	......	552,375
1934	330,521	112,500	624,108
1935	285,594	150,000	576,867
1936	123,400	100,000	475,724

Market Record—

	*1937		1936		1935	
	H	L	H	L	H	L
Com. ..	12	5	16	7	18⅛	14¾

*To Aug. 26.

Courtaulds (Canada)

Spending $3 Millions to Enlarge Facilities — New Merchandising Plan Strengthens Consumer Confidence

Courtaulds (Canada) Ltd. produced over eight million pounds of viscose yarn in 1936, while output for the first half of 1937 exceeded that for the like period a year ago by a substantial margin.

There is no public investment interest in the Canadian company.

The demand for viscose yarns has grown at such a rate that the company has found it necessary to make a further addition to the Cornwall plant which, when brought into operation, will bring per capita production of viscose yarn in Canada up to a level equal to that of the United States.

Approximately $3 millions is being spent on the current expansion programme: about $1 million on plant and the balance on equipment. The company intends to install in the new unit, 50 viscose yarn spinning machines, which will increase total plant production by 42%. There are at present 117 machines installed at the Cornwall plant.

In line with the expanding demand for viscose yarns and as part of the company's merchandising policy in connection with the marketing of the enlarged output, a further expansion has been undertaken of Courtaulds' "Quality-Control" plan.

This plan will establish identification for rayon merchandise meeting recognized standards for consumer serviceability and quality. Where this has been done the company will enter into contract agreements with manufacturers to permit the labelling of articles containing Courtaulds rayon yarn providing these articles meet specific tests carried out by the Ontario Research Foundation.

Dominion Textile

Heavy Increase in Sales Earlier in Year Affected by Labor Troubles — Position Difficult to Define

Operating profits of Dominion Textile Co. for the year ended March 31 next depend largely upon the extent to which labor troubles interfered with production and deliveries. During the early part of August all company's plants were closed down as a result of a strike called by the National Catholic Syndicate.

Some time will necessarily elapse before it is possible to determine just what the strike cost the company in dollars and cents. The closing down of the plants occurred at a time when operations are seasonally dull. Further as the company had ample inventories, it was possible to take care of sales though at times attempts were made by the strikers to interfere with deliveries. Up to the time of the strike, early in August, the demand for cotton goods had been exceptionally good and with higher prices prevailing prospects were encouraging; in fact, the improvement in earnings had enabled the company to increase wages and pay bonuses, bringing the income of the worker to a level higher than in 1929.

Since then raw cotton prices have dropped which may or may not have an effect on inventory values. Under ordinary circumstances, the increase in sales in the earlier part of the year would have enabled the company to more than offset the drop in values. However, cessation of production kept down new purchases so that the drop in values may not affect Dominion Textiles as much as the decline would appear to indicate.

There is no means of telling at this time how the company is likely to fare on the full year. During the year ended March 31 last net earnings were sufficient to cover full dividend requirements for the first time in several years. Had not the strike occurred, it is more than likely that the company would have been able to duplicate or better than 1936-37 returns.

Capitalization—	Authorized	Outstanding
Com., n.p.v. .	350,000 shs.	270,000 shs.
Pref. 7% cum. Par $100.	$2,000,000	$1,940,600

Funded Debt—
First mtge. 4½% bonds series A, due 1955, $4,413,000. The company owns the issue of $1,600,000 5½% bonds of the Drummondville Cotton Co.

Dividend Record—
Preferred—7% per annum paid regularly, quarterly, Jan., Apr., July and Oct. 15.
Common—Present rate $5 per share per annum, payable quarterly as preferred; dividends have been paid on common each year since 1907; at $5 from April 1, 1925 to Jan., 1933; at $4 from April, 1933 to April, 1934; increased to $5 rate July, 1934.

Head Office—Montreal.

Officers and Directors—
Officers—Sir Charles B. Gordon, pres.; Sir Herbert S. Holt, vice-pres.; G. Blair Gordon, man. dir.; L. P. Webster, sec.; R. A. Lang, treas.; W. A. Eversfield, asst. sec.-treas.
Directors—J. P. Black, Sir Charles B. Gordon, Sir Herbert S. Holt, Col. Hon. J. L. Ralston, G. Blair Gordon, J. G. Dodd, Montreal; Sir Frederick Williams-Taylor, London, Eng.

Times Bond Interest—

Yr. end. Mar. 31:	1937	1936	1935
Earned	7.97	7.60	6.51

Earnings per Share and Dividend Record—

Pref.: Earned ..	$77.65	$57.11	$66.89
Paid	7.00	7.00	7.00
Com.: Earned ..	5.08	3.60	4.30
Paid	5.00	5.00	5.00

Seven Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1931	1,807,804	1,485,842	7,515,552
1932	1,633,526	1,485,842	7,363,266
1933	918,044	1,418,342	5,567,123
1934	1,826,388	1,215,842	6,013,596
1935	3,069,079	1,485,842	5,825,876
1936	2,789,420	1,485,842	5,393,423
1937	3,516,496	1,485,842	5,414,368

Market Record—

	*1937		1936		1935	
	H	L	H	L	H	L
Com. ..	86	73	79	60	82½	60
Pref. ..	149	140	150	143	150	130

*To Aug. 26.

Montreal Cottons

Stoppage in Operations Due to Strike Not Expected to Affect Earnings Seriously — Has Resumed Common Dividends

Earnings of Montreal Cottons Ltd., which is controlled by Dominion Textile Co. and interests associated with that company, are not expected to be adversely affected by the strike which resulted in stoppage of operations during the month of August. Fortunately for the company the strike came at a slack period in its production schedule when operations in any case are usually slowed down.

Net profit of Montreal Cottons showed a substantial increase in 1936, amounting to $405,407 as compared with $244,987 in the previous year. Earnings on common in 1936 amounted to $6.51 a share, compared with $1.17 in 1935. As a result of this improvement, the company resumed common share dividends this year, no common dividends having been paid in the years 1933-36 inclusive.

Improvement in business has continued into the current year, sales during the first six months of the year being well ahead of the same period of 1936. Orders on hand are also ahead of last year.

During 1936 the company discontinued certain types of rayon cloth because of Japanese competition and the converting division operated at only 60% of capacity because of British competition.

Working capital increased in 1936 by over $300,000 to $1,354,123. Bank loans were reduced from $604,000 to $473,000.

Capitalization—	Authorized	Outstanding
Common	$5,000,000	$3,000,000
Pref., par $100 ..	5,000,000	3,000,000

Funded Debt—
First mtge. 5% bonds of Montreal Cottons due Nov. 1, 1943, $402,954. All outstanding in sterling £82,800.

Dividend Record—
Preferred — 7% per annum cumulative, payable quarterly, Mar., June, Sept. and Dec. 15. Paid regularly.
Common—6% per annum paid from 1919 to Dec. 15, 1932; none thereafter until 50c. paid Mar. 15, 1937; 50c. paid June 15, 1937; 4% paid 1912-1919.

Head Office—Valleyfield, Que.

Officers and Directors—
Officers—Sir Charles B. Gordon, pres.; Sir Herbert S. Holt, vice-pres.; G. Blair Gordon, man. dir.; W. G. E. Aird, gen. mgr.; C. Gurnham, sec.-treas.
Directors — Sir Charles B. Gordon, E. A. Robertson, Sir Herbert S. Holt, Hon. R. Dandurand, J. P. Black, W. C. Finley, G. Blair Gordon, Montreal.

Times Bond Interest Earned*—

	1936	1935	1934
Before deprec. ...	43.45	31.05	15.15
After deprec.	26.08	15.05	1.07

*After accounts receivable reserve.

Earnings per Share and Div. Record—

Pref.: Earned ...	$13.51	$8.17	$0.04
Paid	7.00	7.00	7.00
Com.: Earned ...	6.51	1.17	d6.96
Paid	nil	nil	nil

Seven Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1930	†130,888	390,000	449,036
1931	†118,787	390,000	383,724
1932	†14,327	390,000	230,451
1933	245,966	210,000	34,687
1934	363,177	210,000	20,910
1935	646,346	210,000	21,233
1936	876,856	210,000	76,189

†Loss.

Market Record—

	*1937		1936		1935	
	H	L	H	L	H	L
Com. ..	50	36	38	26	30	20
Pref. ..	110	104	106	85	97	73

*To Aug. 26.

Dom. Woollens

Profits Higher But Labor Troubles Resulted in Lost Business Since End of Year

For the ten months ended April 30, Dominion Woollens & Worsteds Ltd., had a gross profit of approximately $269,000 compared with $154,000 for the same period last year. Net income after inventory and bad debt reserves, and depreciation, amounted to about $105,000 for the first 10 months of the fiscal year which ended June 30, as against $11,000 for the corresponding period a year earlier. Working capital also showed considerable improvement, being $750,000 at April 30, 1937, compared with $578,141 at June 30, 1936.

From the investors' standpoint the record of Dominion Woollens & Worsteds can hardly be called satisfactory since the company was formed in 1928. A reorganization in 1935, reduced by half the 6% first mortgage bond issue. Holders of the former issue received 50% of the original principal in new bonds and three new preferred shares for each $100 of old bonds. Interest for the period up to July 1, 1937, was payable only if earned and no payment has been made. Bond interest becomes a fixed charge with the first payment due Jan. 1, 1938, and it is expected that the company will be able to meet it. There is little prospect of payment on the 6% non-cumulative preferred for some time to come.

The company has four mills, two in Peterborough, and one in Hespeler and Orillia, in which it spins and dyes worsteds and woollen yarns and weaves wools, cottons and silk cloth. Labor troubles at the Peterborough plants this year have resulted in considerable loss of business.

Capitalization—	Authorized	Outstanding
Com., n.p.v...	155,000 shs.	85,585 shs.
Pref., par $20	$1,270,200	$1,270,200

Funded Debt—
First mortgage, sinking fund bonds 6% due 1953, outstanding $1,058,500.

Dividend Record—
Dividends—Preferred: Entitled to 6% per annum, non-cumulative. No dividends paid on either class of stock by present or predecessor company.

Head Office—Peterborough.

Officers and Directors—
Officers—A. O. Dawson, pres.; W. K. Trower, vice-pres.; Henry Barrett, man. dir.; F. C. Cockburn, sec.-treas.
Directors — A. O. Dawson, W. K. Trower, Montreal; G. D. Perry, J. W. Hobbs, Henry Barrett, E. M. Saunders, Toronto; C. M. Heddle, Peterborough.

Times Bond Interest Earned—

Years ended June 30:	1936	1935
Before depreciation	*1.71	nil
After depreciation	*0.08	nil

*Based on full year's interest at 6% which is payable only if earned.

Hamilton Cotton

Volume Up in 1937 Following Profit Increases in Past Two Years

The Hamilton Cotton Co. manufactures a wide variety of cotton yarns, cloth, webbings for straps and cotton cordage products. The company spins all its own yarns and has a surplus of 54% which is sold.

Earnings increased in 1936 and amounted to $5.74 a share on preferred and $3.56 on the common, as compared with $4.52 and $2.39 respectively in 1935. Working capital was increased in 1936 and the 5½% first mortgage bond issue was reduced by $27,000 to $753,000. Volume has gained so far in 1937. Arrears of $6.50 a share have accumulated on the preferred.

Capitalization—	Authorized	Outstanding
Common	$600,000	$600,000
Preferred .... Par value $30.	600,000	570,360

Funded Debt—
First mtge. 5½% series A bonds, due 1948, $753,000. In addition, the Trent-Cotton Co., subsidiary, has secured notes outstanding, due May, 1929, of $85,000.

Dividend Record—
Preferred—Entitled to $2 per share per annum, payable Jan., April, July and Oct. 1. Initial dividend paid July 1, 1928, and regularly to and including Oct. 1, 1931; none thereafter until Apr. 1, 1935, when 50c. paid and regularly since.
Common—None paid.

Head Office—Hamilton.

Officers and Directors—
Officers—A. V. Young, pres. and gen. mgr.; J. V. Young, vice-pres. and treas.; J. C. Burns, asst. treas.; J. Bowstead, sec.
Directors—A. V. Young, J. V. Young, W. S. Burrill, M. B. Holton, F. Allen, Hamilton; D. Stewart, H. R. Tudhope, Toronto.

Times Bond Interest—

	1936	1935	1934
Earned	4.23	3.48	4.04

Earnings per Share and Dividend Record—

Pref.: Earn.	$5.74	$4.52	$6.25
Paid	2.00	1.50	nil
Common: Earn. ..	*3.56	*2.39	*4.04
None paid.			

*After deducting $2 per preferred share; not taking into consideration dividends in arrears.

Seven Years Earnings—

Year	*Earnings $	Dividends $	Surplus $
1930	97,942	39,152	320,114
1931	54,707	29,268	293,056
1932	†904	......	242,818
1933	57,964	......	252,973
1934	187,336	......	366,053
1935	155,557	28,518	421,625
1936	171,728	38,024	490,096

*After depreciation.
†Including $22,710 profit from purchase of company's bonds, less adjustments.

Market Record—

	*1937		1936		1935	
	H	L	H	L	H	L
Pref....	40½	30	32	25½	30½	23

*To Aug. 24.

Ontario Silknit

Improved Operations in Early 1937 Months Hindered by Labor Troubles

While Ontario Silknit Ltd. reported an improvement in operations in the first four months of 1937 as compared with corresponding period of 1936, labor troubles experienced at the Toronto plant were responsible for the shifting of some export business from Toronto to the British factory. It is expected that this will have an adverse effect on the company's earnings for 1937.

Substantial loss in Canadian operations in 1936, as well as disappointing results in England, led to a decrease in net profit which would have been greater had it not been for slight improvement in the operations of the Australian company. Earnings of $3.28 a share on the preferred did not cover the $7 dividend. Although mortgages payable were reduced during 1936 from $83,500 to $75,600, bank loans increased from $162,194 to $338,680. The somewhat weakened liquid position has been improved as a result of financing carried out in Australia in 1937.

Ontario Silknit manufactures "Maybelle" lingerie, dresses and other rayon products, supplying Canada, Australia and the British Isles.

Capitalization—	Authorized	Outstanding
Com., n.p.v....	100,000 shs.	40,085 shs.
Pref., par $100...	$1,500,000	$1,000,000
Inc. fund rts.*..	10,000 rts.	10,000 rts.

*Income Funding Rights (Scrip)—Issued Jan. 1, 1936, to holders of preference shares on basis of one right for each share which, together with 75c. cash payment, settled all arrears which amounted to $20.75 a share as at that date.

Dividend Record—
Preferred: 7% cumulative, payable 15th March, June, Sept. and Dec.; paid regularly from Sept., 1928 to Sept., 1931; passed until $1.75 paid Mar. 15, 1935, paid regularly since. $2 paid on arrears Jan. 10, 1935, and 75c. Jan. 1, 1936, bringing arrears down to $20 per share. One $20 par income funding right was issued to each shareholder Jan. 1, 1936, in settlement of all arrears. Initial payment of $1, representing interest for the 1936 fiscal year, was made on the income funding rights on June 12, 1937.
Common—None paid to date.

Head Office—Toronto.

Officers and Directors—
Officers—M. H. Epstein, pres.; W. B. Milner, vice-pres.; A. R. Greene, sec.; H. Greisman, treas.
Directors—M. H. Epstein, H. Greisman, A. R. Greene, W. B. Milner, C. H. Burgess, all of Toronto; G. Epstein, Sydney, Australia.

Earnings Per Share and Div. Record—

	1936	1935	1934
Pref.: Earned ...	$3.28	$11.64	$9.81
Paid	7.00	7.00	2.00
Com.: Earned† ..	nil	1.16	0.70
None paid.			
Inc. fd. rts. earn.	d3.72	...	...

†After allowing full year's dividends on pref. shares outstanding.

Seven Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1930	116,118	70,000	112,213
1931	170,419	52,500	53,647
1932	158,270	......	56,934
1933	173,189	......	150,374
1934	254,402	20,000	228,509
1935	263,958	70,000	274,919
1936	182,153	70,000	210,503

Market Record—

	*1937		1936		1935	
	H	L	H	L	H	L
Com.	7½	4⅞	14½	5¼	18	8
Pref.	71	64	90	75	105	75

*To Aug. 24.

Guelph Carpet

The Guelph Carpet & Worsted Spinning Mills, Ltd., reported the largest net profit in the year ended Sept. 30, 1936, since 1931. Since 1930 the company has reduced its outstanding 6½% preferred stock from $950,000 to $500,000. In the 1936 year, 2,242 shares were redeemed reducing preferred dividend requirements by $15,223.

Regular dividends have been earned and paid on preferred since its issue in 1929, and interim dividends have been paid in each year on common. Payment of $1 a share on Nov. 1, 1936, restored the common rate to that prevailing in 1930 and 1931. Modern machinery was installed in the carpet mill in 1935, resulting in improved production.

Capitalization—	Authorized	Outstanding
Com., n.p.v....	125,000 shs.	35,000 shs.
Pref., par $100 .	$2,000,000	$500,000

Funded Debt—
None.

Head Office—Guelph.

Dividend Record—
Preferred: 6½% cumulative, payable 1st Feb., May, Aug. and Nov., paid regularly since Aug. 1, 1929.
Common: No set rate; $1 per annum paid regularly from Nov. 1, 1929 to Nov. 1, 1931 inclusive; none thereafter until Nov. 1, 1932, when 50 cents was paid; 75 cents paid Nov. 1, 1933, 1934 and 1935, $1 Nov. 1, 1936.

Officers and Directors—
Officers—H. Quarmby, pres.; Lt.-Col. E. Gerald Hanson, vice-pres.; B. F. Griggs, sec.-treas.
Directors—H. Quarmby, B. F. Griggs, Guelph, Ont.; Lt.-Col. E. Gerald Hanson, Montreal; Boyd A. C. Caldwell, R. O. Daly, R. R. Corson, Toronto.

Earnings per Share and Dividend Record—

	1936	1935
Pref.: Earned ...	$16.59	$10.88
Paid	6.50	6.50
Com.: Earned ...	1.16	0.92
Paid	0.75	0.75

Seven Years Earnings—

Year	Earnings $	Dividends $
1930	88,395	99,846
1931	103,410	96,065
1932	88,125	60,409
1933	73,851	65,416
1934	77,057	73,975
1935	83,782	73,973
1936	99,145	68,424

ONTARIO SILKNIT LIMITED
590 King Street West
Toronto, Ont.

—Manufacturers of—

Rayon Knitted Lingerie shown in a variety of Novelties and Staple Garments.

"Dunning Line" Pure Silk, Satin, Rayon, Taffeta and Bemberg Mixtures.

Men's Rayon Undergarments and Polo Shirts — for men who appreciate superior comfort.

"Lombardi Fancy Wool Patterns" — Manufactured under exclusive rights for Canada. For the dress trade.

Plain Wool Jersey Cloth at popular prices.

Our extensive plant equipment of modern knitting machinery, with consequent large production, enables us to supply Knitted Rayon Fabrics at exceptionally attractive prices. Goods are dyed in our own plant, under the supervision of specialists.

Dunning Lingerie

ONTARIO SILKNIT LIMITED
Largest Manufacturers of Rayon Fabrics, Silk and Rayon Lingerie in the British Empire.

Dominion Woollens & Worsteds Limited
Head Office 80 RICHMOND ST. WEST, TORONTO

Plants Located at
HESPELER PETERBOROUGH ORILLIA
ONTARIO

Sales Offices:
TORONTO: 80 Richmond St. West
MONTREAL: 701 Confederation Bldg.
WINNIPEG: Phoenix Block
VANCOUVER: 604 Mercantile Bldg.

FINE WORSTED & WOOLLEN SUITING & OVERCOATING
also YARN for
HOSIERY, KNITTED OUTERWEAR, HAND KNITTING AND WEAVING

THE HAMILTON COTTON CO. LTD.

Spinners of
GOOD COTTON YARNS
and
MANUFACTURERS OF CORDAGE

●

Prompt Service and Dependable Deliveries

Sales Agents
WM. B. STEWART & SONS LIMITED
TORONTO MONTREAL

QUALITY HOSIERY SPORTS GARMENTS
KNITTED UNDERWEAR AND OUTERWEAR

Penmans Enjoy Nation-Wide Confidence

Penmans prestige was achieved by strict loyalty to the highest standard of QUALITY — maintained by meticulous care in every detail of manufacture and selection of materials — in attention to the approved Fashions of the Hour.

Penmans

HEAD OFFICE - PARIS, ONTARIO

Officers and Directors:
Sir Charles Gordon, G.B.E., Chairman.
R. B. Morrice, President.
Archie F. Baillie, Vice-President.
H. W. Lundy, General Manager.
C. B. Robinson, Secretary-Treasurer.

Mills at:
Paris, Ontario; London, Ontario;
Brantford, Ontario; Waterford, Ontario;
Ontario; St. Hyacinthe, Quebec;
Coaticook, Quebec.

Textiles Ups and Downs

Nine Year Survey on Percentage Earnings Basis Shows Silk Industry in First Place — 1930 to 1932 Worst Period for Canadian Industry

By JOHN H. MOORE

Producers of silk goods, both real and artificial, have made a better showing in percentage of net profits to shareholders' equity than any other branch of the Canadian textile industry, a survey of the past nine years reveals.

Taking the same common denominator the woollens branch of the industry has been the least profitable to the investor.

The survey presented in the accompanying table shows the relationship between earnings of the various companies available for dividends after all charges and the equity behind each share of outstanding capital stock. While, roughly speaking, these figures may be taken to represent relative progress or retrogression, other factors such as inventories and depreciation reserves may, in individual cases, change the picture. In the case of Dominion Woollens and Worsteds, a large producer omitted from the survey, a radical change in capitalization has made a comparison on the basis of share earnings impossible.

Cotton Industry

In the cotton industry, the survey shows that the bottom of the depression was reached from 1930 to 1932. It is also interesting to note that improvement from 1933 to 1935 inclusive has exceeded the figures shown for 1928 and 1929, the so-called "peak" years of the boom. All the companies examined in this group, however, do not produce such optimistic results. Canadian Cottons, Montreal Cottons, Wabasso Cotton and Woods Manufacturing have all been below the average for the group, although Montreal Cottons has shown considerable improvement in the last two years.

Dominion Textile remained above the average until 1934, when it slipped for two years, only to make a good recovery in 1936. Cosmos Imperial and Hamilton Cotton make the best showings in the group, being fairly consistently above average and showing particular improvement from 1934 on, at which date the profits of a subsidiary were incorporated with the accounts of the parent company in each case.

Knit Goods Group

Examination of the knit goods group reveals that, as in the cotton industry, the slough of the depression was from 1930 to 1932, but, unlike the cotton section, figures for the last three or four years have not yet recovered to predepression levels. Mercury Mills, after good years in 1928 and 1929, dropped sharply in 1930 and has consistently shown deficits since. Regent Knitting has been a below-the-average company until 1936, when profits rose sufficiently to show the best percentage in its group in that year. Monarch Knitting and Ontario Silknit have stayed fairly well above average, but both companies, and more particularly the latter, showed substantial decreases in 1936. Penman's, the most stable company in the group, has steadily remained above average, although it too has not yet reached the level of predepression figures.

Celtic Knitting, which, as a result of an arbitrary method of classification, is the sole representative in the hosiery group, is below the average in each year.

Silk Producers

The silk industry provides the highest percentages in the whole table, both those for the industry as a whole and for individual companies.

Real silk shows similar conclusions to those observed in the knit goods group. The worst years were again from 1930 to 1932, while the recovery of the last three has not yet reached the high peak shown in 1928 and 1929. In this group Bruck Silk has the highest of all the percentages in the table, namely, 34.6 in 1929, and yet the same company shows very erratic figures over the nine-year period.

Belding-Corticelli, although more stable, has reversed the usual procedure by rising above the average in depression years and falling below it in other years. Riverside Silk shows the best figures of any company in the present survey, being consistently well above the average in every year studied.

In the artificial silk industry, the drop in the depression was not as pronounced, but more prolonged, as 1929 was also a comparatively poor year. Here too the 1934 and 1935 figures have exceeded the 1928 average, in contrast to what was previously observed. Canadian Celanese, the sole representative of the artificial silk industry in which there is a Canadian investment interest, after two fairly poor years in 1928 and 1929, rose above the group average in 1930 and has remained above it ever since, although it showed a decrease of 2% from 1935 to 1936.

The textile industry as a whole, like others, is not yet back to the high points touched in 1928 and 1929.

The two exceptions are the artificial silk industry, which has approximately reached its predepression peak, and the woollens group, of which Dominion Woollens & Worsteds is the chief representative. The latter section of the textile industry has, according to the averages compiled by the Primary Textiles Institute, exceeded its previous prosperity earnings. Dominion Woollens & Worsteds itself showed its first small profit since the 1928-29 fiscal year in the year ended June 30, 1936, and earnings for the year just completed are expected to show considerable improvement over last year. Whether this improvement is permanent or temporary is a matter of conjecture.

Earnings Behind Textile Shares

Percentage of Net Profit to Book Value of Shareholders' Equities

Fiscal Years Company:	1928 %	1929 %	1930 %	1931 %	1932 %	1933 %	1934 %	1935 %	1936 %
COTTONS:									
Cosmos Imperial	8.4	8.3	4.6	3.1	1.8	3.8	†7.0	†6.3	†6.4
Canadian Cottons•	2.5	0.6	1.2	1.4	1.0	3.8	1.6	2.1	3.9
Dominion Textile•	6.1	6.4	5.4	4.8	2.4	6.9	4.9	4.3	6.4
Hamilton Cotton	8.6	5.5	3.0	0.2	*3.4	0.8	†7.7	†5.4	†6.6
Montreal Cottons	4.5	1.8	*2.1	*2.1	*0.7	0.2	0.02	3.6	5.9
Wabasso Cotton▪	*3.4	*1.0	0.06	*5.7	*0.4	2.8	2.7	2.1	4.4
Woods Manfg.	8.2	5.7	*7.9	*9.7	2.6	3.2	5.3	*0.1	3.5
Cotton Industry	4.7	4.9	2.5	1.2	1.5	5.8	6.0	4.6	..
KNIT GOODS:									
Mercury Mills	6.4	4.3	*7.6	*13.7	*11.1	*3.8	*8.9	*3.7	*1.2
Monarch Knitting	6.1	6.8	*6.2	1.0	0.8	4.3	5.2	3.8	1.1
Ontario Silknit	13.3	11.9	3.1	2.8	1.0	2.5	5.7	6.6	1.9
Penman's	8.3	7.2	3.4	2.7	3.5	5.2	5.1	5.4	5.6
Regent Knitting	3.4	4.7	*5.1	*7.2	*5.1	*2.2	1.9	0.7	6.3
Knit Goods Industry	5.8	2.8	*1.2	*1.8	*0.9	2.3	2.5	2.9	..
REAL SILK:									
Belding Corticelli	10.4	9.9	6.9	4.4	6.3	5.8	6.0	4.5	4.7
Bruck Silk	..	34.6	*4.8	1.1	3.7	17.4	13.9	11.8	0.2
Riverside Silk	22.0	16.0	7.0	7.2	4.5	6.9	9.4	9.8	10.3
Real Silk Industry	11.9	12.8	4.9	4.6	3.9	7.6	7.3	7.5	..
ARTIFICIAL SILK:									
Canadian Celanese	1.7	3.3	6.9	6.8	6.1	10.6	12.3	11.7	9.7
Artificial Silk Industry	10.7	4.5	6.4	5.9	5.1	8.7	11.2	10.9	..
HOSIERY:									
Celtic Knitting	3.2	2.5	*11.5	*3.2	1.3	1.3	1.4	..	0.5
Hosiery Industry	13.6	13.2	6.4	7.0	5.8	6.6	7.8	8.4	..
Woollen Industry	2.1	2.9	*0.3	*1.9	0.9	4.8	4.7	4.7	..

†Consolidated figures; prior figures general. *Deficit. •Fiscal years ended March 31 of succeeding year. ▪Fiscal years ended June 30 of succeeding year from 1928 to 1934 inclusive, and May 1 of succeeding year in 1935 and 1936; 10 months period in 1935.

Note:—Figures given for each industry in general were compiled by the Primary Textiles Institute as evidence submitted to the Royal Commission on the Textile Industry, 1936.

Canadian Celanese

Sales and Earnings Better in 1937 — Profits Amounted to $1.5 Million Last Year — Has Strong Liquid Position

Both sales and earnings of Canadian Celanese Ltd. showed slight improvement during the first six months of the current year over the corresponding period of 1936. The company's plant is being operated on a 24-hour basis and sufficient orders are on hand to keep production at this level for some time.

Earnings recorded a slight decline in 1936, amounting to $1,519,504, compared with $1,602,960 in 1935, the largest in the company's history. Earnings were ample to cover preferred dividends and the quarterly dividends of 40 cents a share on the common.

During the year the company spent approximately $900,000 in expanding plant facilities at Drummondville, Que. The purpose of the expansion was to provide for the manufacture of new fabrics, particularly an artificial woollen fabric for suitings. Expansion was financed through sale of 10,000 shares of preferred and 10,000 shares of common netting the company $1.4 million.

As a result of the sale there was credited to surplus account the preferred shares amounting to $150,000. Of the amount received for the common $62,500 was credited to distribute surplus. Earned surplus at the end of 1936 amounted to $2,228,776 and capital surplus to $208,568.

The company enjoys a strong liquid position, working capital as at Dec. 31 last amounting to slightly over $4 millions, an increase of $730,000 from the previous year. Principal items shown under current assets were $1.2 million in cash, $1.2 million of stocks and bonds and $1.6 million of inventories.

Capitalization—	Authorized	Outstanding
Com., n.p.v.	300,000 shs.	260,409 shs.
Preferred 7% cum., par $100.	$15,000,000	$10,000,000
Inc. fund rights* n.p.v.	90,000 rts.	84,936 rts.

*Issued in settlement of preferred dividend arrears.

Funded Debt—
None.

Dividend Record—
Income funding rights: Interest of $1 per right, non-cum., payable annually Mar 31; initial payment made Mar. 31, 1936. Preferred: 7% cumulative from Oct. 1, 1934, participating, payable last day of March, June, Sept. and Dec.; none paid until Dec. 31, 1930; paid regularly since. Dividend arrears of $25 per share paid off in January, 1935, by the issue of income funding rights (see above). Participating dividend of $1.91 per share paid Mar. 30, 1935; 95c. per share Mar. 31, 1936; 69c. per share Mar. 31, 1937. Common: initial dividend of 40c. per share paid Mar. 31, 1936; regularly quarterly since.

Head Office—Montreal.

Officers — G. H. Whigham, chairman; Dr. Camille Dreyfus, pres.; W. McC. Cameron, vice-pres.; Lee Cadien, sec.-treas.; H. Blancke, asst. sec. and asst. treas.; C. W. Palmer, vice-pres. in charge of sales.

Directors—Dr. Camille Dreyfus, New York; Brig.-Gen. Sir W. Alexander, London, Eng.; C. L. Auger, Patterson, N.J.; Lee Cadien, W. McC. Cameron, New York; Dr. Henri Dreyfus, G. H. Whigham, London, Eng.; P. A. Thomson, A. Schwartz, Montreal.

Finance and Executive Committee — P. A. Thomson (chm.), G. H. Whigham, Dr. Camille Dreyfus, W. McC. Cameron.

Earnings per Share and Divd. Record:

	1936	1935	1934
Inc. rights: Earn.	$17.89	$18.01	....
Paid	1.00	1.00	....
Pref.: Earned*	13.97	16.82	$16.72
Paid: Regular	7.00	7.00	7.00
On arrears	...	...	2.25
Participating	0.95	1.91	nil
Com.: Earned•	2.54	3.19	3.14
Paid.			

*Based on net profit less amount due on income funding rights.

•Based on net profit less current preferred dividend and amount due on income funding rights and, in addition, 10% of the surplus subject to the payment of the preferred participating dividend.

Seven Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1930	1,254,530	315,000	1,713,479
1931	1,260,449	630,000	1,730,478
1932	1,301,191	720,000	1,723,450
1933	1,857,666	855,000	1,628,176
1934	2,094,755	832,500	1,719,000
1935	2,213,353	890,900	2,402,748
1936	2,172,446	1,284,250	2,228,776

Market Record:

	*1937 H	*1937 L	1936 H	1936 L	1935 H	1935 L
Com.	31	23	31¼	25	27¾	18¼
Pref.	126	116	130½	112	127	100
Inc. cert.	22	21	22	18	21	18

*To Aug. 26.

Celtic Knit

Sales of Celtic Knitting Co., Ltd., in the current year have shown considerable improvement over last year. Profits, however, have not shown a corresponding increase due to inability of the company to raise the price of its products.

In 1936 operating profit of the company amounted to $11,887, compared with $17,772 in 1935. Net profit for 1936, however, amounted to $1,165 as compared with a deficit of $44 in the previous year, the betterment in profits being due to lower provision for depreciation.

Working capital dropped from $53,161 in 1935 to $46,453 at the end of 1936.

Capitalization—	Authorized	Outstanding
Com., n.p.v.	30,000 shs.	27,000 shs.

Funded Debt—
None.

Head Office—Montreal.

Dividend Record—
Common: Initial dividend of 15c. per share paid Sept. 1, 1929. None since.

Officers and Directors—

Officers—E. P. Gordon, pres.; A. C. Howatson, vice-pres. and man. dir.; E. D. Gordon, sec.-treas.

Directors—E. P. Gordon, A. C. Howatson, E. D. Gordon, W. F. Graw, W. K. Nelles, Montreal.

Earnings per Share & Dividend Record:—

	1936	1935	1934
Com.: Earned	$0.04	nil	$0.10

Seven Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1930	†26,831	......	5,702
1931	†7,895	......	†2,193
1932	4,577	......	1,022
1933	6,761	......	4,283
1934	9,558	......	3,586
1935	14,133	......	3,472
1936	8,254	......	4,637

†Loss or deficit.

Market Record—

	*1937 High	*1937 Low
Common	3	1¼

*To Aug. 26.

REGENT KNIT

24 YEARS OF

QUALITY - INTEGRITY - PROGRESS

From a humble beginning in 1913, The Regent Knitting Mills Limited now occupies its own thoroughly modern plant at St. Jerome, developing its own power—650 workers are employed by the company in the manufacture of woollen, worsted and fancy knitted goods—the company enjoys the confidence and goodwill of both trade and consumer.

Such is the reward of 24 years of quality and integrity!

Woollen and Worsted Yarns — Knitted Outerwear

Jersey Cloth Hand-Knitting Yarns Woven Fabrics

THE REGENT KNITTING MILLS LIMITED
Head Office — MONTREAL

Stanfield's

Sales This Year Higher Than in 1929 — Profits Improve

Earnings of Standfield's Ltd., Truro, N.S., one of the oldest and largest manufacturers of woollen and rayon underwear in the Dominion, have shown steady improvement during the past five years, profits in 1936 being higher than in 1929. Net profit in 1936 amounted to $160,785, compared with $135,043 in 1935.

Sales in the current year have been higher than last year. The gain in net earnings, however, has not kept pace due to advancing costs of raw materials.

Late in 1936 the company redeemed 10,000 shares of preferred stock, par value $40. Funds for this purpose were partly obtained from cash on hand and partly from the sale of $200,000 of 4% 10-year serial bonds. The only capital stock outstanding at the present time is 10,000 shares of common.

Capitalization—	Authorized	Outstanding
Com., n.p.v.	12,000 shs.	10,000 shs.

Funded Debt—
4%, 10-yr. serial bonds, outstanding $200,000. Closely held.

Head Office—Truro, N.S.

Officers and Directors—

Officers—Frank T. Stanfield, pres.; C. E. Stanfield, vice-pres.; A. J. Campbell, sec.; E. H. Abbott, treas.

Directors—Frank T. Stanfield, chm.; C. E. Stanfield, J. F. Fraser, A. J. Campbell, H. F. Bethel.

Dividend Record—
Preferred (now redeemed) —Entitled to 6% per annum, non-cumulative. No payments to 1934; 6% for year 1934 paid Jan. 15, 1935; 6% paid Jan. 15, 1936 and Jan. 15, 1937.
Common—None reported since 1929.

Seven Years Earnings—

	†Earnings	Dividends	Surplus
1929	*156,953	60,000	723,918
1931	18,213	......	18,213
1932	19,865	......	38,078
1933	63,350	......	101,428
1934	119,864	......	197,292
1935	135,043	......	308,335
1936	160,785	......	425,120

*Old company. No report issued for 1930.

†After depreciation, taxes, bad debts, etc.

Earnings per Share and Dividend Record—

	1936	1935	1934
Pref.: Earned	*$16.07	$13.50	$11.99
Paid	2.40	2.40	2.40
Common: Earned.	13.68	11.10	9.59
None paid.			

*Redeemed on Dec. 15, 1936.

John B. Stetson

Brockville Plant Reopened Following Settlement of Strike

John B. Stetson Co. (Canada) Ltd., successor of the Wolthausen Hat Corp., recently resumed operations in its Brockville plant following settlement of a nine weeks old strike which resulted in temporary transfer of its ladies' hat division to Prescott, Ont., and of its men's hat division to the plant of the Tower Hat Co. at Marieville, Que.

John B. Stetson Co. (Canada) Ltd. is a subsidiary of the American firm of the same name. In addition to manufacturing the Stetson fur felt line the company also manufactures the line formerly made and sold by the Wolthausen Hat Corp.

Apple Yield Up

It is estimated that 220,000 boxes of apples will be produced this season in the Creston district of British Columbia.

CHEMISTRY
and the Clothing Trade

The wool, cotton, silk, rayon and other fibre contents — their tensile strengths, dye strengths and fading tendencies — all of these features are of supreme importance in evaluating fabrics and textiles.

For many years we have provided the converters and clothing manufacturers of Canada with chemical, physical and microscopic tests and competent and experienced assistance in their problems.

MILTON HERSEY CO., LIMITED
Industrial Chemists and Engineers
MONTREAL WINNIPEG

Since the advent of the white man in British Columbia, miners have wrested $1,479,344,609 from the province's mineral areas, it is shown in the annual report of the Mines Department. A total of $124,277,897 has been paid in dividends in recent years.

Sterling Mark

FOR RAYON

Courtaulds "QUALITY-CONTROL" COURTAULDS RAYON

NEW IMPETUS FOR CANADA'S GREAT TEXTILE INDUSTRY

RAYON is today a substantial factor in the textile field and may well claim to set the pace for the other fibres. Constant improvement and ever-increasing versatility have meant the introduction of rayon into types of fabrics unthought of a few years ago.

The rise of rayon holds the textile spotlight today! Its sensational pace has been such that it has also made possible Hallmark Identification of higher-quality rayon merchandise . . . a valuable asset to every branch of the textile industry.

"QUALITY-CONTROL"—For many years questions have been raised regarding its textile qualities and positive answers and assurances have been few. There, in short, is the justification for Courtaulds "Quality-Control" Plan.

First step in this plan will be the impartial testing of woven and knitted rayon merchandise by the Ontario Research Foundation, a nationally-known laboratory operating for the benefit of both manufacturer and consumer. The tests which will be carried out in these official laboratories are designed to establish the consumer serviceability of rayon merchandise. A representative list of the tests to which fabrics and garments are submitted will be found on this page.

A GUIDE TO BUYING—The operation of Courtaulds "Quality-Control" Plan will enable the shopper to appraise the qualities of rayon merchandise before making a purchase. The very fact that goods are labelled with the Hallmark illustrated above will at sight determine the qualities of the merchandise offered.

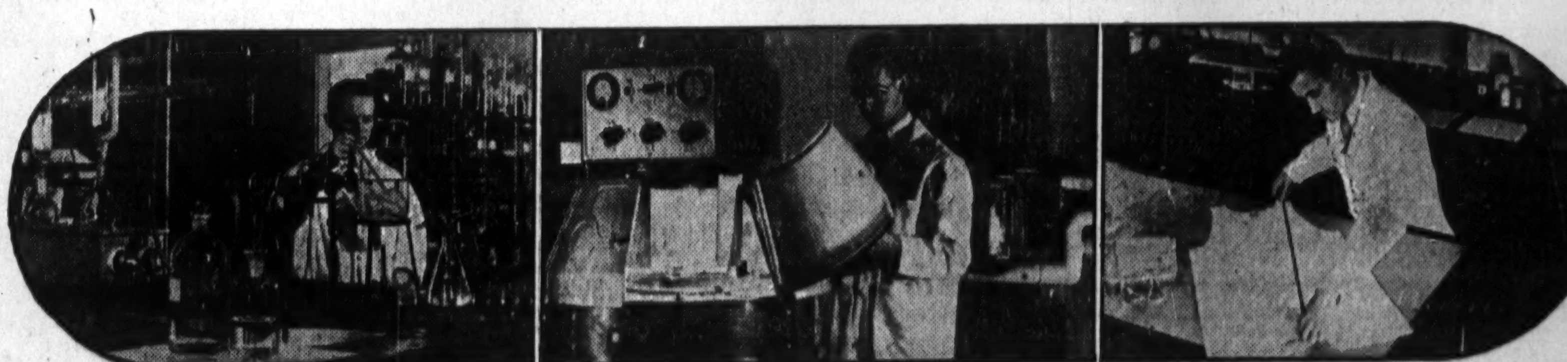
The label, tag or other identification which bears this mark will be a sign of quality and dependability in rayon wear.

AID TO MANUFACTURERS—Under Courtaulds "Quality-Control" Plan merchandise created of Courtaulds rayon yarns will be labelled with the Hallmark of "Quality-Control" . . . ensuring wholesale and retail recognition of its serviceability.

RETAILERS WILL BENEFIT—The presentation to the public, by comprehensive advertising, of this means of identifying high-quality rayon merchandise will simplify and speed the movement of goods from dealers' shelves and establish a quality line well protected against inferior competition.

THE PUBLIC RECEIVES ALL BENEFITS—Through proper identification . . . symbolized in Courtaulds "Quality-Control" Hallmark . . . the consumer of rayon goods will at one time benefit from all phases of the Courtaulds "Quality-Control" Plan.

Testing and manufacturing specifications are designed to raise quality levels and in every sense this Plan will operate to provide a better product in all lines using Courtaulds rayon yarns.



TESTING BY THE ONTARIO RESEARCH FOUNDATION

In this nationally-known Research Laboratory rigid tests of fabrics or garments made from Courtaulds rayon yarns are carried out. A general listing of the required qualifications is given below indicating that the tests are designed to meet every customer demand. The merchandise that comes through these tests successfully is above all things practical.

1. FABRIC CONSTRUCTION . . . there must be a minimum sley and pick count. Fabrics must be cleanly woven and the texture permanent.
2. FABRIC PURITY . . . the fabric must be free from any adulterant that would tend to shorten its life. Finishes must be commercially permanent.
3. TENSILE STRENGTH . . . fabrics and yarns must be durable enough to withstand the normal strains of wear and tear.
4. WASHABILITY and DRY-CLEANABILITY . . . fabrics or garments are tested for washing or dry-cleaning according to their classification.
5. COLOUR FASTNESS . . . careful testing in dry-cleaning, washing, hot-pressing and crocking to eliminate colour variation.
6. RESISTANCE TO FRAYING . . . seam checking, including strength and wear tests to give reasonable assurance of non-fraying and non-slipping properties in both fabric and garment.

Courtaulds (CANADA) LIMITED
Head Office and Plant . . . . CORNWALL, ONT.
Sales Offices—159 Bay Street, Toronto, Ont.
Trade Service Offices: University Tower, Montreal

SERVING CANADA

◆

Every Canadian is an actual or potential consumer of one or more of the company's products. Shirts, dresses, underwear, bed sheets, automobile tires, are only a few of the goods into which the company's products enter as part of the raw material.

Dominion Textile Company's operations are an essential part of Canada's industrial structure, if Canadian industry is to provide the necessities of life for Canadian citizens.

◆

DOMINION TEXTILE COMPANY, Limited
MONTREAL

ESTABLISHED IN 1905

Harding Carpet

Higher Profits Shown for First Half of 1937 and Outlook Encouraging

Harding Carpets, Ltd., Brantford, reports that volume of business has shown a satisfactory increase in the first half of 1937 as compared with the same period of 1936. Working capital has also been improved. Raw materials and all other expenses have advanced but prices have not risen proportionately. The company reports, however, that somewhat higher profits were shown.

In order to keep its lines well diversified and up to date, Harding Carpets installed the Jacquard automatic dyeing process, controlled by the Artloom Corp. of Philadelphia. The company has sole Canadian rights to this process which produces at medium cost a floor covering of good appearance and wearing qualities combining texture characteristics of the Wilton with the color and design flexibility of the Axminster. The company is now installing new machinery for spinning woollen carpet yarn.

Beneficial effects on the company's earnings are expected from both these installations.

Capitalization—

	Authorized	Outstanding
Com., n.p.v.	300,000 shs.	170,000 shs.

Funded Debt— None.

Head Office—Brantford.

Dividend Record— No set rate. Initial dividend of 5c. per share paid Aug. 1, 1936; 10c. paid Jan. 2, and July 2, 1937.

Officers and Directors—

Officers—A. E. Cuthbertson, pres. and gen. mgr.; E. A. Mott, vice-pres.; A. R. Wynn, sec.-treas.

Directors—A. E. Cuthbertson, E. A. Mott, C. Gordon Cockshutt, Brantford, Ont.; S. W. McKeown, John S. Dickson, H. J. McLaughlin, Toronto; Frank Harding, St. Thomas, Ont.

Earnings per Share—

Common (new):	1936	1935	1934
Earned	$0.32	$0.23	$0.26
Paid	0.05	nil	nil

Seven Years' Earnings—

Year	Earnings $	Dividends $	Surplus $
1930	19,145	......	13,137
1931	†5,310	......	†3,672
1932	†22,864	......	†38,862
1933	35,835	......	†38,595
1934	97,471	......	43,554
1935	92,584	......	81,584
1936	114,036	8,500	126,815

†Loss or deficit.

Market Record—

	*1937		1936		1935	
	H	L	H	L	H	L
Com.	7	4½	6	2¾	3½	2⅛

*To Aug. 25.

Mercury Mills

Profits Up in 1937 and Liquid Position Improved

Officials of Mercury Mills, Ltd., have been greatly encouraged by the improvement that has taken place in sales, production and gross profits. The Listowel plant, with about 200 employees, is working at capacity, while about 90% capacity has been achieved in the Hamilton plant.

This improved business has strengthened the company's liquid position, but directors have not yet taken any action in clearing up sinking fund arrears on the first mortgage bonds which were $160,000 at the end of 1936. With the best portion of the year still ahead, the company looks forward with confidence to an improved showing for 1937.

After showing a sharp drop at the end of 1929, working capital has remained fairly constant for the past three years at a little less than $500,000. No dividends have been paid on the preferred since 1930 and arrears were $36 a share at the end of 1936. Resumption of dividends is not to be expected until bond sinking fund arrears can be cleared up, although it is probable that there will eventually be a capital reorganization to eliminate the constantly occurring deficits.

Sale of a plant at Woodstock, Ont., in 1936 saved between $6,000 and $7,000 annually in carrying charges. The company manufactures a wide range of knitted goods, the major part of its output being wool, cashmere and silk hosiery and underwear. Earnings in 1936 were affected by extreme competition in the silk hosiery line, continued increase in raw material prices and increased taxation. The company reported that raw material contracts at the end of 1936 were well below current market levels which placed it in a favorable competitive position.

Capitalization—

	Authorized	Issued
Com., n.p.v. ...	45,000 shs.	45,000 shs.
Pref., par $100 ..	$2,000,000	$1,000,000

Funded Debt— First mortgage 5½% bonds series A, due 1953, outstanding $1,310,000.

Dividend Record— Preferred — Entitled to 6% per annum, cumulative, payable quarterly, Feb., May, Aug. and Nov. 1. Dividend due Feb. 1, 1931, passed; none since. In arrears $36 per share as at Dec. 31, 1936. Common—None paid.

Officers and Directors—

Officers R. H. Hommel, pres.; J. J. McHardy, sec.-treas.

Directors—H. G. Smith, W. H. Cooper, W. G. Evel, Hamilton; J. H. Gundy, R. H. Hommel, A. D. Cobban, Strachan Johnston, Dunlop Stewart, Toronto; G. A. Dobbie, Galt.

Times Bond Interest Earned—

	1936	1935	1934
Before deprec. ...	1.41	1.48	0.37
After deprec.	0.77	0.23	....

Earnings per Share and Div. Record—

	1936	1935	1934
Pref.: Earned ...	d$1.68	d$5.63	d$13.75
Paid	nil	nil	nil
Common: Earn.,	d1.71	d2.58	d4.39

None paid.

Seven Years Earnings—

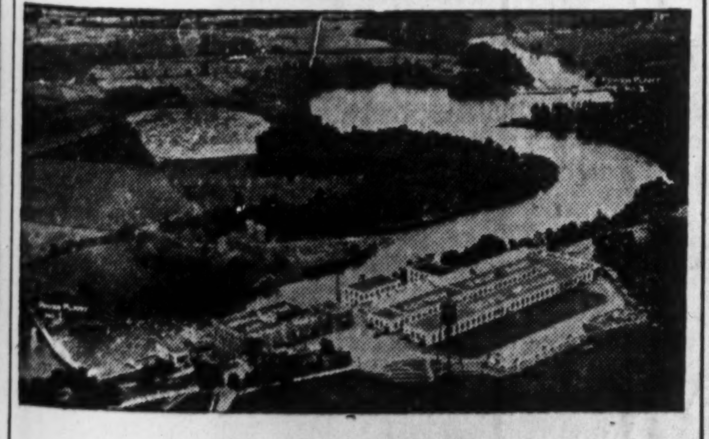
Year	Earnings $	Dividends $	Surplus $
1930	*125,583	62,052	224,711
1931	*123,302	......	†282,962
1932	*39,157	......	†74,997
1933	98,469	......	†126,684
1934	31,414	......	†349,403
1935	135,031	......	†396,662
1936	128,878	......	†467,371

*Loss. †Deficit.

Market Record—

	*1937		1936		1935	
	H	L	H	L	H	L
Pref. ..	40	20	13⅛	9	10	7
Com. ..	2	1¼	..	..	..	..

*To Aug. 25.



AYERS LIMITED

LACHUTE MILLS, P.Q.

Established 1870

Pulp and Paper Makers' Felts

Woollen — Cotton — Asbestos

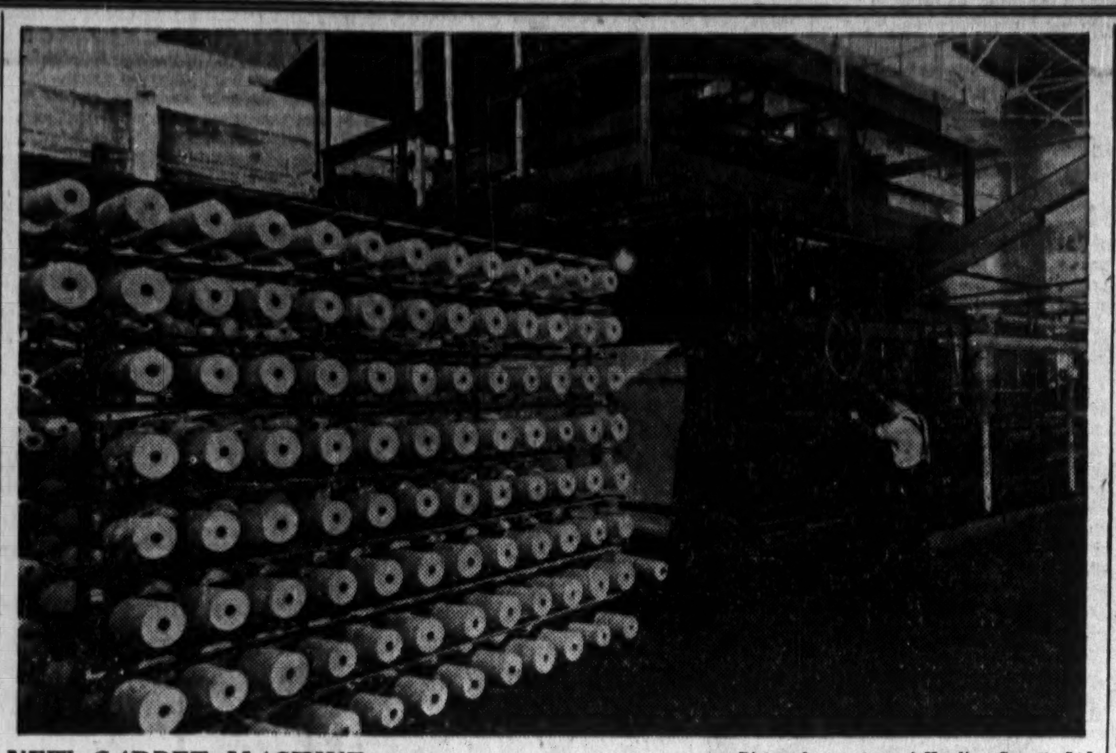
COTTON TRANSMISSION ROPE

PURE WOOL BLANKETS

Household Use — Machine Clothing

Printing — Stereotyping

TWEEDS and other WOOLLEN CLOTHS



NEW CARPET MACHINE

Picture by courtesy of Harding Carpets Ltd.

Combining desirable features of both Wilton and Axminster rugs, the jacquard automatic dyeing process performed for Harding Carpets Ltd. on this machine produces a medium cost rug of superior appearance and wearing quality. Canadian rights to this process have been obtained from Philadelphia.

Canadian Cottons

Strike Conditions at Cornwall Plants Interfere With Output — Inventories Take Care of Sales; Earnings Uncertain

Labor difficulties at the Cornwall plants interfered with productive activities of Canadian Cottons during the better part of August. Conditions at other plants were normal. The differences with employees were finally settled through arbitration.

Demand for cotton goods has been well maintained and as the company's inventories were above normal at the end of last March, it was possible to meet sales from inventories. There is no means of knowing how extensively inventories were depleted as a result of the strike, but indications are that the position was not seriously affected. (Last July the management announced it was the intention to reduce inventories, a step which was probably hastened by labor troubles.)

Drop in Values

One of the principal concerns of the company and other operators at this time is the drop in raw cotton values. Where large inventories are carried this may result in write-downs to the detriment of the income account. On the other hand the increased turnover should be helpful, in the case of Canadian Cottons, which reported a substantial increase in sales for the quarter ended June.

The situation as to earnings is somewhat confusing in the case of Canadian Cottons. While the current fiscal year started off well, the strike at the Cornwall mills and the drop in cotton values, are difficult to appraise. Whether or not net income will be as high as in 1936-37 when earnings amounted to $5.17 a share on the common remains to be seen. On the basis of sales dollar, conditions are promising, but there is no way of telling what the strike cost the company or what adjustments may have to be made in inventory values.

Capitalization—

	Authorized	Outstanding
Pref. 6% non-cum.	$4,500,000	$3,661,500
Common	3,500,000	2,715,500

Par $100.

Funded Debt— None.

Head Office—Montreal.

Dividend Record— Preferred—6% per annum, paid regularly quarterly Jan., Apr., July and Oct. 1, since April, 1911. Common—Present rate 4% per annum, payable quarterly Jan., Apr., July and Oct. 1. Initial payment at this rate made Jan. 4, 1934; paid regularly since. 8% paid regularly from 1921 to April 4, 1930.

Officers and Directors—

Officers—A. O. Dawson, pres. and man. dir.; George Caverhill, vice-pres.; R. G. Tolmie, gen. mgr.; H. M. Watson, sec.; K. L. Hamilton, treas.

Directors—A. O. Dawson, Sir H. Montagu Allan, F. E. Meredith, George Caverhill, W. J. Morrice, R. G. Tolmie, all of Montreal; W. A. Black, Jersey Channel Islands.

Earnings per Share and Div. Record—

Year end. Mar. 31:	1937	1936	1935
Pref.: Earned ...	$9.84	$5.36	$4.15
Paid	6.00	6.00	6.00
Com.: Earned ..	5.17	d0.86	d2.49
Paid	4.00	4.00	4.00

Seven Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1931	242,874	219,690	2,114,480
1932	257,876	219,690	2,020,200
1933	177,766	219,600	1,891,246
1934	424,017	274,000	1,959,615
1935	233,471	328,310	2,085,180
1936	217,027	328,310	1,979,684
1937	360,137	328,310	2,011,511

Market Record—

	*1937		1936		1935	
	H	L	H	L	H	L
Com. ..	93	65⅛	58¾	48	66	48
Pref. .	109½	105	106¼	97	105	93½

*To Aug. 24.

Toronto Carpet

Lack of Financial Statements Make Analysis Difficult — Reorganization Cuts Charges

The company, at its Toronto plant, manufactures Wilton, Axminster, Smyrna, Ingrain and other varieties of carpets and rugs.

It has published no financial statements since 1931 and its earnings are consequently difficult to ascertain. A reorganization of its capital structure was announced early in 1937. The chief feature is the exchange, on a share for share basis, of the existing 8% non-cumulative preferred stock for 6% non-cumulative but redeemable preferred. The 6% first mortgage bonds, which were redeemed at 103 on March 1, 1937, are to be replaced with a new bond issue, details of which have not yet been made public. Finally, new common stock will be issued on a share for share basis with the old common.

This reorganization is being made with a view to bringing the company's dividend and interest requirements into line with current conditions. It is understood that the management believes that the new 6% non-cumulative rate on the preferred stock can be maintained, although the company has been paying only 4%. In addition, the new issue will be callable at 105, which will permit its redemption, when such action seems desirable.

Officers and Directors—

Officers—G. D. Perry, vice-pres.; B. B. Hayes, vice-pres. and gen. mgr.; P. D. Hayes, treas.; W. G. Berner, sec.

Directors—P. D. Hayes, C. W. Hayes, G. D. Perry, G. H. Muntz, B. B. Hayes, R. Fennell, all of Toronto.

Office—1179 King St. W., Toronto.

Funded Debt— 6% first mortgage sinking fund bonds, series A, due Mar. 1, 1944; outstanding $547,000, called for redemption Mar. 1, 1937, at 103. New bonds have been issued but were not publicly offered.

Capital Stock— Present company incorporated Dec. 8, 1936, will have outstanding an issue of 6% $100 par preferred stock, callable at 105, which replaces old 8% preferred; and 10,000 shares of $100 par common stock, which will replace old common on a share-for-share basis.

Dividends— Old company preferred: Entitled to 8% per annum, non-cumulative; 8% paid regularly from original incorp. in 1891 to Jan., 1933; none thereafter until 1% paid Dec. 1, 1935. Common: 8% paid from 1891 to Jan., 1933; none thereafter.

Cosmos Imperial

Savings in Preferred Dividends Will Be Felt in Current Year — Financial Position Strong and Common Dividend Rate Raised to $1

Cosmos Imperial Mills, Ltd., manufactures heavy grades of cotton duck at Hamilton, Ont., and Yarmouth, N.S. The company's products are used chiefly for making vessel sails, mechanical belting and hose, railway car roofing, binder canvasses, tarpaulins, tents and filters.

Net earnings of $238,809 in 1936 were larger than in the previous year, though a deduction of $20,000 for employees' pensions reduced profits available for dividends to $173,809. Growth of earnings and a strong financial position permitted the company to pay initial dividends of 17½ cents per share on its common stock on May 15, 1935. This has been increased to an annual rate of $1 per share in 1937. A slight increase in sales was experienced in 1936 in spite of lower prices. Advance bookings for 1937 indicated that sales would continue on at least as favorable a basis.

Capital obligations ahead of the company's common shares have been reduced about $1.5 million in the past two years.

First mortgage bonds of $712,500 were redeemed in 1935 without new financing. Early in 1936 the former issue of $1.3 million of 7% preferred was replaced by an issue of $500,000 of new 5% preferred stock. As a result fo this financing, the number of common shares has been doubled.

Working capital of $880,598 at the end of 1936 was considerably lower than the $1.1 million at the end of 1935. This was probably accounted for by the redemption of the preferred stock and its replacement with the smaller issue. By this move preferred dividend requirements were reduced from $87,752 at the end of 1935 to $25,000 a year later.

Capitalization—

	Authorized	Outstanding
Com., n.p.v.....	100,000 shs.	100,000 shs.
Pref., par $100...	$500,000	$500,000

Funded Debt— None.

Dividend Record— 1st preferred—Entitled to 5% per annum, cumulative from April 15, 1936; payable Jan., Apr., July and Oct. 15. During 1932 and 1933 company fell $5.25 in arears which was paid off in 1934. Common—Initial dividend of $0.17½ per share paid May 15, 1935. Similar payments made Aug. 15, and Nov. 15, 1935, and Feb. 15, 1936. $0.20 per share paid May 15, 1936, and quarterly thereafter until 25 cents per share paid Feb. 15, 1937, and quarterly since.

Head Office—Hamilton, Ont.

Officers and Directors—

Officers—S. H. Greene, chm.; W. S. Burrill, pres. and gen. mgr.; A. V. Young, vice-pres.; E. W. B. Moody, sec. and treas.

Directors—S. H. Greene, Boston, Mass.; W. S. Burrill, A. V. Young, Hamilton; J. J. McGill, Montreal; J. E. Rousmanière, New York; G. H. Allen, Yarmouth, N.S., H. R. Tudhope, Toronto.

Earnings per Share and Dividend Record:

	1936	1935	1934
Preferred (new):			
Earned	$34.76	...	...
Paid	3.75	...	...
Preferred (old):			
Earned	...	$15.20	$14.69
Paid	1.75	1.00	7.00+5.25
Com.: Earned..	1.49	1.47	‡1.93
Paid	0.77½	0.52½	nil

‡After deducting full year's preferred dividends but not taking arrears into consideration.

Seven Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1930	135,806	101,390	409,897
1931	94,195	98,719	317,452
1932	51,442	65,695	349,732
1933	116,026	47,390	404,369
1934	215,767	170,963	445,544
1935	229,346	124,557	511,463
1936	238,809	125,055	482,229

Market Record—

	*1937		1936		1935	
	H	L	H	L	H	L
Com.	27½	22	27⅛	17½	20½	14⅞
Pref.	105⅛	103¼	†106½	102	108	102¾

*To Aug. 24. †New stock.

Training Scheme Makes Progress

Plan Gets Instruction — Employment for 258 Veterans

A total of 358 ex-soldiers have been absorbed through operation of the probational training plan of the Veterans Assistance Commission, according to a report furnished The Financial Post by commission officials. Of this number, 35 have completed their training and been placed on permanent payrolls.

The location of veterans who have commenced training since the plan was initiated in May, is as follows: Ontario, 143; Quebec, 66; British Columbia, 16; Manitoba, 13; Nova Scotia, 13; Alberta, 5; Saskatchewan, 1; New Brunswick, 1. Placements have been arranged through 15 honorary local committees, working in co-operation with the Employment Service of Canada.

Among the trades and occupations in which the veterans are being trained are: auto mechanic, auto painting, cabinet work, battery mechanic, acetylene welding, butcher, bookkeeper, electric sign erector, electric assembly and maintenance, factory manager, gas station atendant, salesman, typewriter repairing, tailor, upholsterer, painter, tourist guide.

Tip Top Tailors

Continuation of Promising Results for First Half of 1937 Expected — Expansion and Modernization Programme Now On

Tip Top Tailors, Ltd., Toronto, reports a satisfactory six months for the first half of 1937 and looks for a continuation of improved conditions in the industry.

The company manufactures and distributes men's clothing and women's tailored coats through its own stores and agencies throughout Canada. An expansion programme involving the expenditure of about $100,000 is being carried out. New stores are being opened and existing ones modernized.

The highest net profit reported since 1930 was shown in 1936. With the exception of 1932 and 1933 earnings have always been sufficient to cover the $7 a share dividend on the company's preferred stock. First dividend on the common stock was 25 cents a share paid on July 2, 1935 and in April of this year, the company announced that the common stock had been placed on a regular dividend basis of 60 cents. Earnings available for common in 1936 were 59 cents a share compared with 30 cents in 1935.

Tip Top Tailors has been able to maintain a strong working capital in spite of dividend payments which have closely approximated total earnings in each of the last two years.

The company imports large quantities of British woollens, but it is understood that tariff changes this year will have little effect on its operations. Its profit margins have been narrow for some years and, with a one-price policy which is comparatively difficult to change, it is possible that rising prices for woollen materials may make further inroads. This should be partially offset by increased volume as economic conditions in Canada improve.

Capitalization—

	Authorized	Outstanding
Com., n.p.v....	147,500 shs.	120,000 shs.
Pref., par $100	$1,500,000	$1,195,300

Funded Debt—None.

Head Office—Toronto.

Dividend Record— Preferred: 7% cumulative: payable 1st Jan., Apr., July and Oct.; paid regularly from July 1, 1928, to Jan., 1933; April, 1933, payment passed; resumed July 1, 1933, and paid regularly since; arrears paid Jan. 1, 1935. Common: Present rate 60c. per annum. Initial dividend of 25c. paid July 2, 1935; 25c. paid Aug. 10, 1936, and Jan. 2, 1937; 15c. Apr. 1, 1937 and quarterly since.

Officers and Directors—

Officers — David Dunkelman, pres.; H. P. Mackechnie, sec. and gen. mgr.; R. H. Langlois, treas.

Directors—David Dunkelman, R. Dunkelman, H. P. Mackechnie, J. B. Dunkelman, R. A. Daly, Toronto; A. Miller, Hamilton.

Earnings per Share and Dividend Record:

	1936	1935	1934
Pref.: Earned..	$13.14	$9.99	$8.76
Paid	7.00	7.00	7.00+1.75
Com.: Earned .	0.59	0.30	*0.20
Paid	.50	0.25	nil

*After deducting a full year's dividend on the preferred, but before taking arrears into consideration.

Seven Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1930	337,460	96,461	1,115,572
1931	229,748	94,637	1,082,242
1932	33,268	93,510	905,652
1933	220,423	70,040	918,803
1934	256,297	116,734	985,360
1935	275,736	112,491	941,234
1936	292,692	146,307	870,377

Market Record—

	*1937		1936		1935	
	H	L	H	L	H	L
Com.	15	10	12	7⅛	12¾	7
Pref.	110	104	107	102	100	90

*To Aug. 25.

Can. Cons. Felt

Operations of Canadian Consolidated Felt Co., subsidiary of Dominion Rubber Co., continue unsatisfactory, a deficit having been shown in each of the past six years. The company, in fact, has failed to earn interest in recent years even before making provision for depreciation.

Sales of the company in 1936 were $119,431 lower than in 1935, amounting to $677,311. Deficit after providing for bond interest, depreciation and other charges amounted to $74,529, compared with $55,994 in 1935.

Capitalization—

	Authorized	Outstanding
Common	$1,500,000	$1,500,000
Preferred	500,000	500,000

Par $100.

51% of the common stock is owned by the Dominion Rubber Co.

Funded Debt— First mortgage, 6%, due 1940, outstanding $113,500.

Dividend Record— Preferred—7% per annum, cumulative, payable Jan., Apr., July and Oct. 1. Paid regularly from incorporation to July, 1914; none thereafter until March 30, 1929, when 2½% interim dividend was paid. Similar payments were made June 30, Sept. 30 and Dec. 30, 1929; Apr. 2 and June 30, 1930. As at Dec. 31, 1936, dividends were in arrears to the extent of 142½%. Common—No dividends paid.

Head Office—Montreal.

Officers—W. A. Eden, pres.; G. W. Charles, vice-pres.; J. G. Barrow, vice-pres. and gen. mgr.; H. P. Nellis, sec.; A. Whitehouse, treas.

Directors—W. A. Eden, G. W. Charles, H. R. Nixon, A. Whitehouse, all of Montreal; F. Bauslaugh, Brantford; J. G. Barrow, Kitchener.

Seven Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1930	38,897	25,000	369,888
1931	4,933	......	349,386
1932	33,887	......	324,080
1933	*3,652	......	263,937
1934	7,593	......	230,246
1935	*23,426	......	174,252
1936	*22,966	......	99,722

*Loss.

Cosmos Imperial Mills
LIMITED
Head Office: Hamilton, Ontario

Manufacturers of

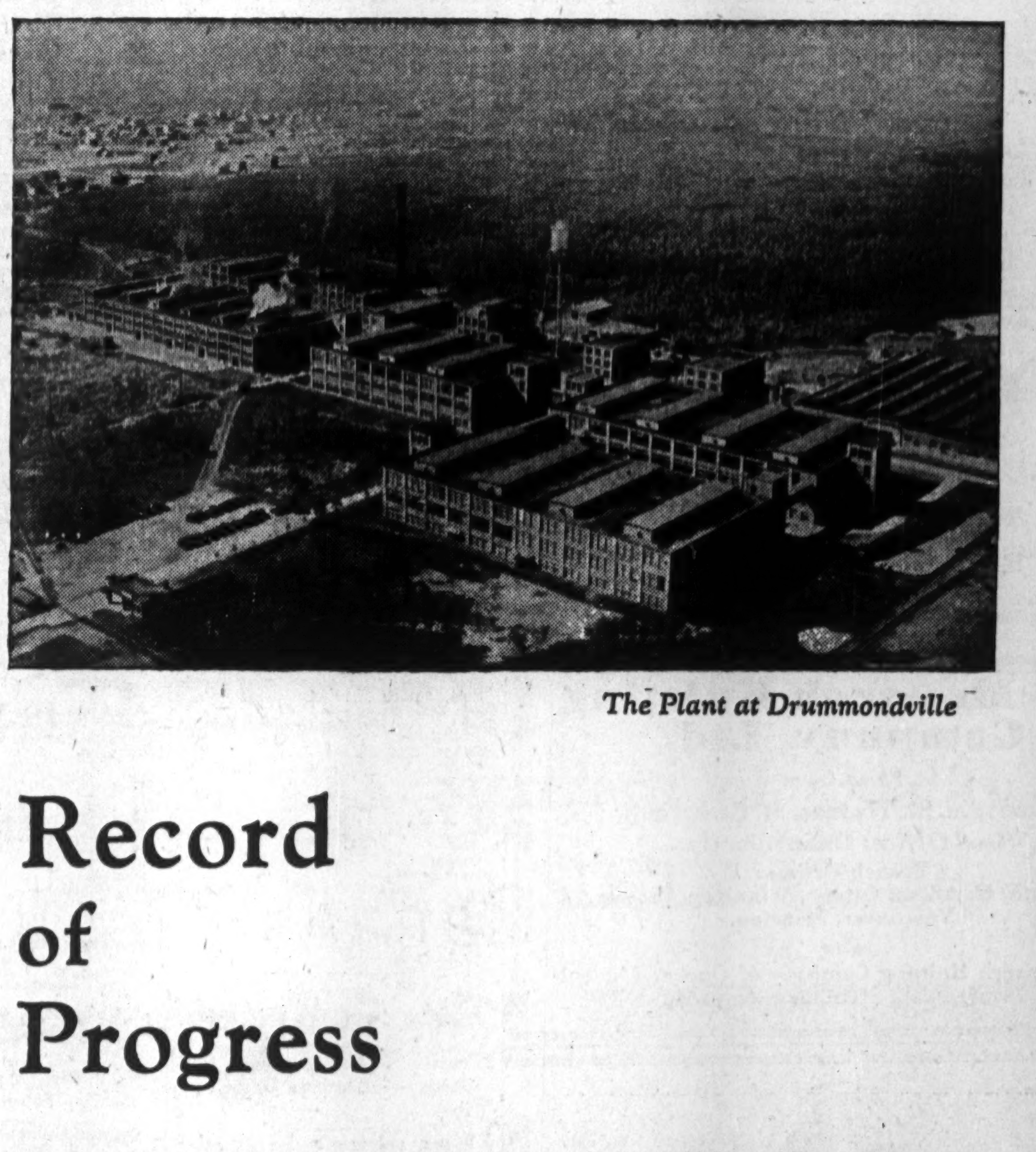
Industrial Cotton Fabrics to specification, also Wide, Sail and Ounce Duck

Mills Located at

YARMOUTH, N. S. and HAMILTON, ONT.

Selling Agent

J. SPENCER TURNER COMPANY
LIMITED
Hamilton, Ont.



The Plant at Drummondville

Record of Progress

The record of Canadian Celanese Limited at Drummondville, P.Q., is one of Stability. For the past 11 years, in both good and difficult times, the Canadian Celanese plant has maintained a record of *steady employment.* Never, for a single working day since its beginning in 1926, have the company's looms lain idle. The settled and prosperous character of the City of Drummondville is the result.

The record of Canadian Celanese Limited is a record of Pioneering, in a country of pioneers. When the company began operations in 1926, the development of synthetic fabrics was in its infancy; Canada depended almost wholly upon imported fabrics. As the needs of Canadian men and women grew, the company developed an increasing ability to meet them. The past 11 years have seen continual and steady expansion, until today, Canadian Celanese Limited leads the industry in the manufacture of synthetic textiles.

The record of Canadian Celanese Limited is a record of Progress. The great modern plant built at Drummondville in 1926 has kept constantly abreast with every new method, every new type of machinery. It is pronounced today by many textile experts to be the finest of its kind on the American continent. Thus the beauty, style and high quality of the Celanese* fabrics has been achieved by modern minds and modern machinery, *kept modern.*

It is because of these three prime factors—stability, steady expansion and a modern viewpoint—that Canadian Celanese Limited is the steadfast industry that it is today. Closely identified with the whole fabric of Canadian life, it continues to grow, steadily and surely, with the development of the Dominion.

CANADIAN CELANESE LIMITED

Leaders in the Manufacture of Fine Fabrics Since 1926

*Reg. Can. Pat. Off.

Acme Glove

Sales in 1937 to Date Have Shown Sharp Increase

With sales showing a marked increase, expectations are that earnings of Acme Glove Works in the current year will be higher than in 1936.

For the five months ended May 31 last, sales of the company were approximately 20% greater in value than those in the same period a year ago and it is understood that the improved trend is continuing. Increased demand has been especially marked in eastern Canada due in part to substantial acceleration in lumbering activity.

In 1936 earnings of the company were lower than in the two previous years, operations being adversely affected by such factors as a mild winter and keen competition. Another factor contributing to lower earnings was certain provisions of the Canada-United States trade agreement which resulted in increased competition from American manufacturers.

Net profits for 1936 amounted to $58,719, compared with $105,768 in 1935 and $95,773 in 1934.

Since reorganization of the company was carried out early in 1936, quarterly dividends on the preferred and common stocks have been paid regularly.

Working capital increased in 1936 to $892,324 from $877,129 in the previous year.

Capitalization—	Authorized	Outstanding
Com., n.p.v. ...	*55,000 shs.	24,000 shs.
Pref., par $100	$1,000,000	$687,960

*$25,000 shares reserved for conversion of preference shares.

Funded Debt—None.

Dividend Record—

Preferred (new)—Entitled to 6½% per share per annum, payable quarterly Jan., April, July and Oct. 1. Cumulative from April 1, 1936. Initial dividend of $1.62½ paid July 2, 1936, and regularly since.

Common (new)—Initial dividend of 12½c. paid July 2, 1936, and regularly quarterly since.

Head Office—Montreal.

Officers and Directors—

Officers — J. D. Ouellette, F. G. Donaldson, vice-pres.; Alphonse Lepine, sec.-treas.

Officers—J. D. Ouellette, pres.; F. G. Donaldson, F. D. Dwyer, E. Lavoie, A. E. Clark, Alphonse Lepine, Montreal; W. Burke, Joliette, P.Q.

Earnings per Share and Div. Record—

	1936	1935	1934
6½% pref. (new):			
Earned	$8.54	...	...
Paid	4.87½	...	...
Com. (new):			
Earned	0.48	...	...
Paid	0.37½	...	...
First pref.:			
Earned	...	$11.80	$10.68
Paid	0.95	3.25	2.43¾
Second pref.:			
Earned	...	*12.77	*11.11
Paid	...	nil	nil
Class "B" com.:			
Earned	...	†3.91	†3.24
None paid.			

*Calculated after deduction of full year's first preferred dividend.

†Calculated after deduction of full year's first and second preferred dividends.

Market Record—

	*1937		1936	
	H	L	H	L
Pref. (new)	94	75	100	94
Com. (new)	18½	9	21	14½

*To Aug. 25.

Wabasso Cotton Co.

Resumption of Common Dividends Reflects Betterment in Operations — Profits Increased in Last Fiscal Year

Operations of Wabasso Cotton Co. recorded marked improvement in the year ended May 1, 1937, operating profit amounting to $903,306 as compared with $565,843 in the 10 months ended May 2, 1936. Net profit at $235,686 was more than double the amount earned in the 1935-36 fiscal period.

Reflection of the improvement in the company's position is the resumption of dividends on its common stock. In addition to paying quarterly dividends of 25 cents a share in January and July of this year, the company paid a bonus of 15 cents a share in July. Previous to this year no payments had been made on the common since 1928.

As a result of a refunding operation in 1936 whereby bonds of the company and its subsidiaries were redeemed and replaced with an issue carrying a lower coupon rate, the funded debt of the company was lowered and fixed charges reduced. Of an original issue of $3 millions, only $2.7 millions was outstanding as at May 2 last. Previous to the refunding operation the funded debt of the company and its subsidiaries was $3.6 millions.

The company enjoys an excellent liquid position, working capital amounting to $1.4 million. Cash on hand and Government bonds on May 2 last amounted to $524,688, compared with $324,232 in the previous year.

Current operations are understood to be satisfactory, but it is not the policy of the company to issue interim statements.

Capitalization—	Authorized	Outstanding
Com., n.p.v. ...	105,000 shs.	69,903 shs.

Funded Debt—

1st mtge. serial bonds series A, 3½% 1937-40, outstanding $300,000; 4% 1941-48, $1,400,000; 4½% due 1951, $1,000,000.

Dividend Record—

Common—Present rate $1 per share per annum, payable quarterly Jan., Apr., July and Oct. 1. Initial payment at this rate was made on Jan. 2, 1937, when 25 cents per share was paid. An extra dividend of 15 cents paid July 2, 1937.

Previous rate was $4 per share plus bonus, which amounted to $1 per share per annum in 1927 and $2 in 1928. Dividend due Oct. 1, 1928, passed and none paid until 25 cents per share on Jan. 2, 1937.

Head Office—Three Rivers, Que.

Officers and Directors—

Officers—C. R. Whitehead, pres.; J. W. Pyke, vice-pres.; W. J. Whitehead, man.-dir.; H. W. Capel, sec.-treas.

Directors — C. R. Whitehead, W. J. Whitehead, Three Rivers; W. I. Gear, J. W. Pyke, Hugh Mackay, N. J. Dawes, Montreal; Wm. Harty, Kingston, Ont.

Times Interest Earned—

Years Ended June 30:

	1937	1936	1935
Before deprec.	7.27	*5.59	3.84
After deprec.	3.96	*2.87	2.10

*Based on 10 months interest on the then outstanding bonds. $101,667.

Earnings per Share and Div. Record:

Earned	$3.37	$1.52	$2.11
None paid.			

Seven Years Earnings—

Years Ended June 30:

Year	Earnings $	Dividends $	Surplus $
1931	520,732	......	386,862
1932	238,463	......	103,157
1933	590,127	......	124,284
1934	813,590	......	271,023
1935	869,781	......	371,739
1936*	568,532	......	462,673
1937†	877,180	34,952	663,407

*10 months ended May 2.

†Year ended May 1.

Market Record—

	*1937		1936		1935	
	H	L	H	L	H	L
Com. ..	35	20	31½	20	31⅛	16

*To Aug. 25.

Regent Knit

Earnings This Year Have Shown Marked Improvement

Indications are that earnings of Regent Knitting Mills Ltd. in the current year may be the best since the present company was formed in 1928. Profits for the six months ended June 30 last, after providing for depreciation doubtful accounts, etc., were higher than in any corresponding period of the company's history. During the period net sales increased 12.2% over the first six months of 1936. Net profits in 1936 were $77,823 as compared with $10,462 in 1935.

Contributing factors in the increase were sales volume of sundry knitted lines, hand knitting yarns and higher prices. Formerly the bulk of the company's profits were made in the autumn and early winter months, but as a result of the introduction of spring lines a better balance in operations has been brought about.

Early this year the company sold $525,000 of first mortgage bonds, consisting of a 3% serial issue of $150,000 and a 4% 15-year issue of $375,000. Proceeds of the issue were used to retire $352,600 of 6½% first mortgage bonds and to reduce bank indebtedness of about $130,000.

Late in 1936 shareholders authorized reduction in the book value of common stock from $1,205,901 to $780,108, or $12 a share. The surplus thus created was used to eliminate the accumulated deficit and to reduce the value of fixed assets more in line with present day worth. The depreciated value of fixed assets were shown at the end of 1936 at $844,000, compared with $1.2 million a year earlier.

Working capital increased in 1936 to $738,889 and further improvement has been recorded in the current year. During the first six months, in fact, there was an increase of 38% although substantial sums were expended for new equipment.

Capitalization—	Authorized	Issued
Common, n.p.v.	100,000 shs.	65,009 shs.
Pref., par $25	$400,000	$400,000

Funded Debt—

First mtge. bonds, 3% due serially 1938-43, $150,000; 4% due 1952, $375,000.

Dividend Record—

Preferred—Entitled to $1.60 per share per annum, non-cumulative. Initial dividend of 40 cents paid Mar. 1, 1937, and quarterly since.

Common—None paid.

Head Office—Montreal.

Officers and Directors—

Officers—C. G. de Tonnancour, pres. and man. dir.; Jean Rolland, vice-pres.; J. C. Belle Isle, sec.-treas.

Directors—C. G. de Tonnancour, J. V. Desaulniers, Gerald G. Ryan, J. Ernest Savard, Jean Rolland, H. J. Ross, Montreal; H. Holdroyd, Toronto.

Times Bond Interest Earned:†

	1936	1935	1934
Before deprec. ...	8.70	7.29	6.67
After deprec.	4.42	1.56	2.66

†After deducting other interest and reserve for doubtful debts.

Earnings per Share—

Pref.: Earned	$4.86	$0.65	$1.80
Com.: Earned	0.80	d0.23	0.05

Seven Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1930	61,653	......	412,794
1931	19,958	......	288,845
1932	110,994	......	66,925
1933	157,904	......	*33,088
1934	194,038	......	*11,007
1935	206,680	......	*10,530
1936	228,276	......	62,621

*Deficit.

Market Record—

	*1937		1936		1935	
	H	L	H	L	H	L
Com. ..	11	8	9½	4⅛	7	4¼
Pref. ..	25	19	19¼	12½	..	..

*To Aug. 25.

Can. Converters

Directors Defer Common Dividends — Earnings Unsatisfactory

In only one year in the past seven have earnings of Canadian Converters Co. been sufficient to cover dividends paid on its common stock. Continuance of this unsatisfactory condition, especially in view of the low earnings in the year ended April 30, 1937, led directors to defer common dividends for the time being in order to conserve the resources of the company. Hence the dividend due on Aug. 15 was not paid.

During the past three years earnings have shown a steady decline, profits in the 1936-37 fiscal year being equivalent to only seven cents a share on the common stock. This compares with 19 cents a share in 1935-36 and $1.63 a share in 1934-35.

Working capital has also been reduced, amounting to $580,728 at April 30 last. During the year cash was reduced from $25,767 to $8,296 and Government bonds having a market value of $61,000 liquidated. This is offset by an increase of $75,000 in inventories which are shown at $559,875.

Capitalization—	Authorized	Outstanding
Com., par $100 ..	$3,000,000	$1,733,500

Funded Debt—

None

Dividend Record—

Common — None at present. Formerly 2% per annum payable Feb., May, Aug. and Nov. 15. Reduced from 7% to 5% Aug. 15, 1930; to 4% Aug. 15, 1931 and to 2% Feb. 15, 1932. Payment due Aug. 15, 1937, passed.

Head Office—Montreal.

Officers and Directors—

Officers—J. M. Mackie, pres.; T. R. Rennie, vice-pres. and gen. mgr.; T. M. Barrington, sec.-treas.

Directors—J. N. Laing, T. J. Rodger, T. M. Barrington, R. C. McMichael, J. M. Mackie, R. Cherrie, T. R. Rennie, all of Montreal.

Earnings per Share and Div. Record—

Years Ended April 30:

	1937	1936	1935
Earned	$0.07	$0.19	$1.63
Paid	2.00	2.00	2.00

Seven Years Earnings—

Years Ended April 30:

Year	Earnings $	Dividends $	Surplus $
1931	56,291	86,675	597,279
1932	29,660	52,005	563,434
1933	13,056	34,669	534,821
1934	60,065	34,670	538,136
1935	39,011	34,670	531,637
1936	29,376	34,670	500,345
1937	13,437	34,670	466,912

Market Record—

	*1937		1936		1935	
	H	L	H	L	H	L
Common	32	19	32	21⅛	32	24

*To Aug. 26.

York Knitting

Merger With Zimmerknit Co. Completed — Sales Up 12.6% for Five Months

On July 31, 1937, York Knitting Mills, Ltd., purchased the plants, inventories and other assets of Zimmerknit Co., Ltd., Harvey Knitting Co., Hosiers Ltd., Toronto Hosiery Co. and Woods Underwear Co. Of these the first four engaged in manufacturing knit goods, the other acting as a sales and management organization.

This merger resulted in a consolidation of companies already closely associated and made it possible to redeem, with substantial economy, the bonds and preferred stock of Zimmerknit Co. and to substitute for them a bond issue of $1 million.

The plants in Toronto, Hamilton and Woodstock will now be operated as divisions of York Knitting Mills. A sales department for merchandising of the products of the various plants will also be maintained.

Giving effect to the consolidation of York Knitting Mills and Zimmerknit Co., the balance available for the new common shares of York Knitting Mills would have been 80 cents a share in 1936 and 57 cents a share in 1935. Holders of the old Zimmerknit common, except York Knitting Mills, receive these new common shares of York Knitting Mills on a share-for-share basis.

Aggregate sales of the combined companies for the five months ended May 31, exclusive of inter-company sales, increased 12.6% compared with sales for the corresponding period of 1936. Total assets were $3.7 millions at the end of 1936 and surplus $711,116.

After giving effect to the consolidation and present financing, the capitalization of York Knitting Mills will be as follows:

Capitalization—	Authorized	Outstanding
1st mtg. bonds....	$2,000,000	$1,000,000
7% cum. 1st pref.,.		
$100 par	150,000 shs.	150,000 shs.
7% cum. 2nd pref.		
$100 par	300,000 shs.	300,000 shs.
Common, n.p.v....	300,000 shs.	*229,012 shs.

*Of which 33,652 shares will be issued to common shareholders of Zimmerknit Co. on a share-for-share basis, excluding those shares of Zimmerknit now held by York Knitting Mills. At present, York Knitting Mills has 5,500 issued and unissued shares of common stock of $100 par value, which will be converted into 220,000 no par value shares, after which the capitalization will be increased by the creation of an additional 80,000 shares.

Officers and Directors—Sir James Woods, pres.; J. D. Woods, vice-pres.; W. A. Clarke, sec.; H. M. Ready, H. H. Lawson, W. B. Woods, all of Toronto; K. W. Harvey, Woodstock.

Year	Operating Earnings* $	Actual Deprec. Charged $	Working Capital $
1932	103,982	32,022	809,530
1933	443,146	180,794	1,053,898
1934	229,649	101,489	1,056,576
1935	271,068	65,382	1,179,648
1936	310,562	52,570	1,226,454

*Before depreciation, bond interest and discount and income taxes.

Capitalization and earnings of Zimmerknit Co. prior to the merger with York Knitting Mills follows:

Capitalization—	Authorized	Outstanding
Com., n.p.v...	100,000 shs.	80,545 shs.

Preferred stock redeemed Aug. 3, 1937.

Funded Debt—

1st mtge. and coll. trust bonds 6%, due 1951, and 2nd mtge. 6%, due 1961, were redeemed on Aug. 3, 1937.

Head Office—Hamilton.

Officers and Directors—

Officers — J. Douglas Woods, pres.; K. W. Harvey, vice-pres.; W. P. Walker, sec.; W. S. Hunton, asst. sec.; D. W. T. Scully, treas.; W. A. Clarke, asst. treas.

Directors—J. Douglas Woods, R. A. Daly, H. H. Lawson, Toronto; K. W. Harvey, Woodstock; St. Clair Balfour, F. J. Maw and A. V. Young, Hamilton.

Times Bond Interest Earned—

	1936	1935	1934
1st mortgage:			
Before deprec..	8.73	6.73	5.48
After deprec. ..	6.50	4.64	4.75
2nd mortgage:			
Before deprec. .	3.97	2.90	2.24
After deprec. ..	2.82	1.84	1.87

Earnings per Share—

Pref.: Earned ...	$16.87	$7.71	$8.44
paid	7.00	3.50	3.50
Com.: Earned† ..	0.31	0.02	0.04
None paid.			

†After deducting full year's preferred dividend requirements.

Six Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1931	2,674	......	†32,781
1932	52,255	......	†27,026
1933	148,528	......	11,180
1934	82,271	8,750	28,533
1935	100,909	8,750	39,043
1936	131,015	17,500	63,722

†Deficit.

Market Record—

	*1937		1936		1935	
	H	L	H	L	H	L
Com.	7¼	3¾	6	2¾	5½	2½
Pref.	102	92	90	60	85	63½

*To Aug. 25.

Woods Mfg.

1937 Operations Show Improvement — Future Uncertain

Operations of Woods Manufacturing Co. during the first six months of 1937 were better than in the same period of last year. At the moment, however, it is difficult to gauge what final results for the year will be. Raw materials used by the company have recently dropped in price and this may affect its inventory position and offset gains recorded in the first half of the year.

Net profit of the company in 1936 amounted to $72,647, compared with a loss of $2,882 in 1935 and a profit of $104,098 in 1934.

Early this year the company sold $700,000 of 3% and 4% first mortgage bonds, using the proceeds to redeem $550,000 of 6% bonds, to reduce its bank loans and to improve working capital.

Working capital was reduced during 1936 by $34,000 to $1.1 million. During the year, however, the sum of $91,985 was expended on plant improvements.

Capitalization—	Authorized	Outstanding
Com., n.p.v.	24,920 shs.	17,106 shs.
Pref., par $100 ..	$2,481,800	$1,528,300

Funded Debt—

1st mtge. 3-4½% bonds, series A due 1938-47 and 1952, outstanding $700,000.

Dividend Record—

Preferred — Entitled to 7% per annum, payable quarterly, Jan., Apr., July and Oct. 1. Passed Apr. 1, 1931. None since.

Common—Last paid Sept., 1923.

Head Office—Toronto.

Officers and Directors—

Officers—Harold Crabtree, pres.; W. A. Eden, vice-pres.; R. M. Stott, sec.-treas. and asst. to the pres.; F. L. Mitchell, asst. to the pres.

Directors—Shirley E. Woods, Ottawa; Glyn Osler, Toronto; A. M. Irvine, James W. Pyke, Harold Crabtree, W. A. Eden, Montreal; G. Sackville Browne, Westmount, Que.

Times Bond Interest Earned—

	1936	1935	1934
Before deprec. ..	5.51	1.90	6.18
After deprec.	3.55	0.98	4.41

Earnings per Share and Div. Record—

Pref.: Earned	$4.75	d$0.19	$6.81
None paid.			
Com.: Earned ...	d2.01	d6.42	d0.17

Seven Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1930	*69,208	106,981	71,859
1931	*30,666	......	200,591
1932	123,699	......	247,347
1933	170,617	......	306,554
1934	229,520	......	410,652
1935	68,943	......	505,153
1936	185,646	......	524,194

*Loss.

Market Record—

	*1937		1936		1935	
	H	L	H	L	H	L
Pref. ...	85	65	90	50	70	45

*To Aug. 26.

Penmans Ltd.

Increase in Sales and Profits Continues — Profits Last Year Were Highest Since 1929

Penmans Ltd., one of the largest manufacturers of woollen and knit goods in the Dominion, has reported an increase in sales in each year since 1932. Business in 1937 has been running ahead of last year. Sales in 1936 totalled $5.6 millions, an increase of 7% over 1935.

The company has shown ample evidence of a well-established earning power, earnings being shown on the common stock in every year throughout the depression, the low point being in 1931 when profits were equivalent to $1.25 a share on the common. In 1936 earnings were the largest reported in any year since 1929, net profit amounting to $306,240 as compared with $295,366 in 1935.

Working capital amounted to almost $2.6 millions, the largest reported since 1929. The company has no bank loans and cash on hand amounts to almost $600,000 as against total current liabilities of $222,000.

Capitalization—	Authorized	Outstanding
Com., n.p.v....	75,000 shs.	64,518 shs.
Pref., par $100..	$1,500,000	$1,075,000

Funded Debt—

First mtge. bonds, 5½%, due 1951, outstanding $1,747,500.

Dividend Record—

Preferred—6% cumulative, payable Feb., May, Aug. and Nov. 1, paid regularly since 1907.

Common—$3 per share per annum, payable quarterly, Feb., May, Aug. and Nov. 15. Rate reduced from $4 per annum with quarterly payment of 75 cents per share Feb. 15, 1932.

Officers and Directors—

Officers—Sir Charles B. Gordon, chm. of board; R. B. Morrice, pres.; A. F. Baillie, vice-pres.; H. W. Lundy, gen. mgr.; C. B. Robinson, sec.-treas.

Directors—Sir Charles B. Gordon, R. B. Morrice, A. F. Baillie, J. N. Laing, H. B. MacDougall, J. P. Black, G. W. Grier, Montreal.

Times Bond Interest Earned—

	1936	1935	1934
Before deprec. ..	5.70	5.46	5.68
After deprec.	4.43	4.18	4.40

Earnings per Share and Dividend Record—

Pref.: Earned ...	$28.49	$27.48	$25.54
Paid	6.00	6.00	6.00
Com.: Earned ...	3.75	3.58	3.25
Paid	3.00	3.00	3.00

Seven Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1930	332,977	322,572	1,641,347
1931	313,578	322,572	1,463,809
1932	*436,614	258,054	1,393,249
1933	*549,542	258,054	1,412,706
1934	624,357	258,054	1,429,244
1935	600,165	258,054	1,466,556
1936	627,299	258,054	1,514,742

*After provision for federal income tax.

Market Record—

	*1937		1936		1935	
	H	L	H	L	H	L
Com.	63¾	58	63½	48	63½	41
Pref.	130	124	130	118	116	106½

*To Aug. 24.

Riverside Silk

Good Earnings Record Has Permitted Payment of Dividend Arrears

Riverside Silk Mills, Galt, Ont., manufactures broad silk, and silk yarns used in making ladies' underwear and hosiery.

Public investment interest in this company is confined to the class A stock, which is entitled to dividends of $2 per share per annum. All arrears were paid up on Jan. 2, 1937.

This year-end payment on arrears resulted in a deficit for 1936 of $31,559, and was also largely responsible for a decrease of about $20,000 in working capital, which stood at $250,661 at the end of 1936. Earnings on the common stock in 1936, however, were very slightly higher than in 1935, at $2.69 a share, which fully covers class A dividends and shows improvements from a low of $1.13 per share in 1932. Regular dividends of $2 per share on the class A stock are being continued.

Capitalization—	Authorized	Outstanding
Common A	30,000 shs.	30,000 shs.
Common B	20,000 shs.	20,000 shs.

No par value.

Funded Debt—

None.

Dividend Record—

Class A—Present rate $2 per annum; cumulative, payable Jan., Apr., July and Oct. 1; $2 paid regularly from July, 1928, to April, 1932; reduced to $1 rate July, 1932; $2 rate restored April 1, 1936, and paid regularly since; payments made on account of arrears of 25 cents per share per quarter from Apr. 2, 1934 to Jan. 2, 1936; balance ($1.75 per share) paid Jan. 2, 1937. Class B: 50 cents paid Mar. 1, 1929, and Mar. 1, 1930; none since.

Officers and Directors—

Officers — E. M. McCormick, pres.; C. A. McCormick, vice-pres.; G. H. McCormick, sec.-treas.

Directors—C. A. McCormick, E. M. McCormick, D. W. McCormick, G. H. McCormick, Galt, Ont.; F. J. Coombs, Toronto.

Earnings per Share and Div. Record—

	1936	1935	1934
Class A: Earn. ..	$2.70	$2.66	$2.50
Paid	2.75	2.00	2.00
Class B: Earn. ..	1.05	1.00	0.75
Paid	nil	nil	nil

Seven Years Earnings—

Year	*Earnings $	Dividends $	Surplus $
1930	54,079	60,000	468,684
1931	55,085	60,000	463,003
1932	33,835	37,500	458,755
1933	53,637	30,000	481,978
1934	75,044	60,000	497,022
1935	79,912	60,000	516,094
1936	89,941	112,500	483,176

*After depreciation and federal income taxes.

Market Record—

	*1937		1936		1935	
	H	L	H	L	H	L
Cl. A ..	33	30	36	28⅞	31	27

*To Aug. 25.

Biltmore Hats

Sales Volume Maintained and Prospects for Bonus Mentioned

Biltmore Hats, Ltd., Guelph, Ont., maintained sales volume for the first six months of 1937 and full preferred and common dividend requirements have been amply covered. The company established a regular dividend rate of 50 cents a share in the middle of 1937 on the new common stock after a 4-for-1 stock split late in 1936. The president states: "The question of a bonus on the common stock will be considered after the results for the complete year have been obtained."

Net profit has shown a steady increase each year since incorporation in 1929 and in the fiscal period ended Nov. 30, 1936, net profits were equivalent to about 8 times the dividend on the 7% preference shares. This preferred was reduced at the end of May from $300,000 to $201,900. It is callable at $110.

The company manufactures men's fur felt and velours hats at Guelph and keeps permanent sample rooms in various Canadian cities. Sales set a new high record in 1936 with the company improving its position in the domestic market. In addition some promising export orders were received.

· Par $100.

Capitalization—	Authorized	Outstanding
Pref., cum. red.	$300,000	$209,500
Com., n.p.v.	20,000 shs.	20,000 shs.

Dividend Record—

Preferred—7% per annum, cumulative from Mar. 15, 1929, and payable Mar., June, Sept. and Dec. 15. Initial quarterly dividend paid June 15, 1929, and regularly since.

Common — New — Initial semi-annual dividend of 25c. paid July 15, 1937. Old common—Initial dividend of 50 cents per share paid Jan. 15, 1934. $1 paid Jan. 15 and 50 cents July 15, 1935; $1.25 Jan. 23 and $1 July 15, 1936. $1 plus an extra of 50 cents Jan. 22, 1937.

Head Office—Guelph.

Officers and Directors—

Officers—F. R. Ramsey, pres. and gen. mgr.; W. J. Tiller, vice-pres.; W. F. Franke, sec.-treas.

Directors—F. R. Ramsey, W. J. Tiller, W. F. Franke, W. Hilborn, Guelph, Ont.; T. A. Welch, Toronto.

Earnings per Share and Div. Record:

	1936	1935	1934
Pref.: Earn.	$57.13	$41.05	$26.83
Paid	7.00	7.00	7.00
Com.: Earn.‡	4.73	3.16	2.05
Paid	4.73	1.50	0.50

‡After provision for redemption of preferred stock.

Seven Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1930	36,606	20,974	30,160
1931	40,278	20,414	35,266
1932	45,071	18,865	55,332
1933	48,180	17,517	77,633
1934	72,755	26,874	107,629
1935	101,144	45,783	140,080
1936	143,931	59,665	188,110

Market Record—

	*1937		1936		1935	
	H	L	H	L	H	L
Com. ..	16⅛	10	59	30	29¼	13
Pref. ..	110	109½	110	109	110	97¼

*To Aug. 25.

Zimmerknit

Bonds and Preferred Redeemed in Merger With York Knitting Mills

Zimmerknit Co., Ltd., has now been merged with York Knitting Mills which has controlled Zimmerknit Co. since 1931. Zimmerknit manufactures underwear, hosiery and knitwear goods and has exclusive rights in Canada for the "Annette Kellerman" bathing suits. Its Hamilton plant is chiefly engaged in the manufacture of knit goods, while underwear and hosiery are made at Woodstock, Ont.

As a result of the consolidation of Zimmerknit Co. with York Knitting Mills, the $250,000 6% first mortgage bonds and $487,300 6% second mortgage bonds were redeemed. The 7% preferred stock was also redeemed. Holders of Zimmerknit common, with the exception of York Knitting Mills, were given one share of no par value common stock of York Knitting Mills for each share of Zimmerknit common held at present. Dividends are stated to be more probable on the new York Knitting Mills stock than on the old Zimmerknit common on which no dividends have ever been paid.

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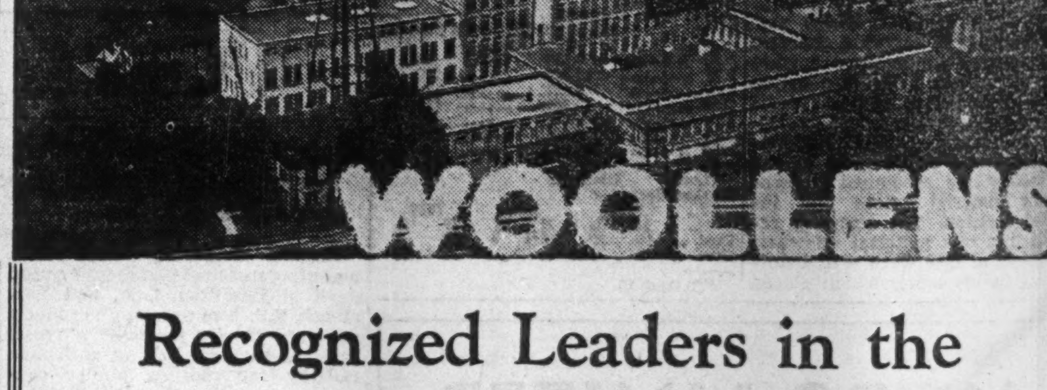

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40-428

Montreal Island Tax Receipts Up

Fourteen Municipalities Show Reduction in Arrears

From Our Own Correspondent

MONTREAL.—Aggregate tax arrears of the solvent municipalities under the jurisdiction of the Montreal Metropolitan Commission were reduced by $71,000 to $1,343,000 during the month of July.

Tax Arrears

	July 31 $	June 30 $
Mount Royal	32,000	39,000
Verdun	203,000	221,000
Hampstead	22,000	25,000
Montreal East	55,000	57,000
Westmount	378,000	387,000
Montreal West	45,000	48,000
Outremont	255,000	267,000
Lachine	171,000	181,000
Ville St. Pierre	31,000	32,000
Ville LaSalle	62,000	64,000
Ville St. Laurent	89,000	93,000
Pointe-aux-Trembles ..	51,000	53,000
Montreal North	55,000	59,000
Ville St. Michel	20,000	32,000

Power Corp. Group Shows 9.11% Gain in Output

From Our Own Correspondent

MONTREAL. — Power Corp. of Canada reports that power production of its controlled and affiliated companies in July showed an increase of 9.11% over production in the corresponding month of 1936.

The aggregate for July amounted to 190,791,462 kw.h., an increase of 15,939,454 kw.h. over the same month of last year. All companies shared in the increase, the principal gains being recorded by Canada Northern Power, Southern Canada Power and Winnipeg Electric.

Comparative figures are given below:

	July, 1937 Kw.h.	July, 1936 Kw.h.
Southern Canada ..	19,107,270	15,917,790
Can. Northern	55,323,628	49,116,024
East Kootenay	8,755,908	7,421,156
B. C. Power	42,678,160	41,638,274
Northern B. C.	1,000,396	955,764
Winnipeg Elec.	63,926,100	59,803,000
Total	190,791,462	174,852,008

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REGISTERED
HOSIERY

SERVING A PURPOSE

From early times, the nations that advanced in the arts — sanitation, health, population and wealth, have been those that fed, clothed and housed themselves.

Canada could produce many million pounds more wool than she does and import less and Canadians are clever enough to fabricate it into attractive comfortable garments.

Our effort during the days of our appointed time, is to knit good Full Fashioned and Circular Knit Hosiery. To spin high grade Dryspun Botany Yarns. To weave good cloths.

THE CIRCLE BAR KNITTING CO. Ltd.
Owen Sound and Kincardine, Ontario
Head Office

York Knitting Mills, Limited

OPERATING DIVISIONS

WOODSTOCK
Harvey-Woods
Underwear
Hosiers

TORONTO
York Spinning
Toronto Hosiery
Harvey-Woods Hosiery
Woods Underwear

HAMILTON
Zimmerknit

Head Office, 70 Crawford Street
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MAKERS OF

- UNDERWEAR — All types of knitted underwear and lingerie for men, women and children.
- HOSIERY — Men's socks, women's stockings, children's hose.
- BATHING SUITS — For men, women and children.
- OUTERWEAR — Sweaters, pullovers, polo shirts, etc., for men, women and children.
- YARNS — Cotton, woollen, mixtures, worsteds.

BRANDS

"YORKNIT" "HARVEY-WOODS" "ZIMMERKNIT"
"FINE HOSIERY" "QUICKEES"

Strikes End In Quebec

Compromise Settlement Reopens Dominion Textile Plants

From Our Own Correspondent

MONTREAL.—Nine mills of Dominion Textile Co. and its affiliates in this province were gradually getting back on a normal production basis this week as nearly 10,000 idle employees returned to work under settlement of the month-long strike by which the National Catholic textile workers' syndicate closed down the plants.

Company officials estimated that it would take until early next week or later to put machinery back into shape and resume full production

The basis of settlement, achieved at a conference between Premier Duplessis, company officials and spokesmen for the workers, calls for setting of wage levels between now and March 1 by the provincial Fair Wage Board. In the interim, an effort will be made by the management, union representatives, and spokesmen for non-union employees, to draft a collective labor agreement. Should such an agreement fail to be reached by March 1, the Fair Wage Board findings will be embodied in a form of agreement to stand for six months.

This is an attempt to reconcile the opposing views of the company and striking unionists. From the start of the strike, the Catholic syndicate insisted on recognition of the union and negotiation of a collective labor agreement, while the company and the Government pressed for adjustment of grievances through Fair Wage Board rulings. The strikers objected to submitting to the Fair Wage Board plan chiefly because, once the Board has made a ruling, there is no appeal from its decision and strikes for higher wages are forbidden.

In a statement issued following the settlement, G. Blair Gordon, managing director of Dominion Textile Co., declared that the main feature of the agreement was that the open shop had been maintained. The settlement does not grant the Catholic union's demand for recognition as exclusive bargaining agent

Obituary

Hon. James D. Chaplin, former minister of trade and commerce for Canada, died this week at his summer residence in the Muskoka region of Ontario. He succeeded his father as president of the Vale Manufacturing Co., St. Catharines, Ont., and was also a former president of the Hayes Wheel Co., and a director of the Bank of Toronto. Mr. Chaplin was made a privy councillor in 1926, while a member of the Meighen Government's Cabinet. He was also minister of customs in the short-lived Meighen Government.

Travellers

A. N. Mitchell, vice-president and general manager of the Canada Life Assurance Co., and **Mrs. Mitchell**, and **N. L. McCammon**, executive of the Woolworth Co., all of Toronto, were passengers abroad the liner Europa this week, bound for Cherbourg, Southampton and Bremen.

Industries Buying More Space at C.N.E.

Reflecting the improvement in general economic conditions there is an increase of about 5% in industrial exhibits at the Canadian National Exhibition, which opened in Toronto last week. Moreover, these exhibits represent a wider area of Canada and more Empire and foreign countries. No doubt due to the increasing trade between Canada and United States there has been a considerable gain in exhibits originating in the latter country.

By industries the most outstanding increases in space bought have been by manufacturers of farm appliances and machinery, electrical goods of all kinds, and construction materials and building equipment. Evidently in these three lines business has been better and is expected to remain that way.

Supersilk

General Business in 1937 Has Been Good With Exports Increasing

Supersilk Hosiery Mills, Ltd., London, Ont., manufactures 12 lines of pure silk hosiery. An export trade is maintained to Australia, New Zealand, Ireland, Trinidad, India and other foreign countries.

Dividends on the company's preferred stock were paid at half the regular rate from 1932 to the end of 1936. Early in 1937 accumulated arrears of $17.50 per share were funded by the issue of arrears certificate. At the same time the dividend rate on the preferred stock was reduced from 7% to 5%.

The company reports that general business has been very good this year and that the export business has substantially increased. Keen competition in the Ontario and Quebec markets, however, has results in lower retail prices and a reduced profit margin.

Capitalization—	Authorized	Outstanding
Class A com...	125,000 shs.	75,000 shs.
Class B com...	25,000 shs.	25,000 shs.
No par value.		
1st pref. par $100	$948,100	$488,100

Funded Debt—
None.

Dividend Record—
First Preferred—Entitled to 5%, cumulative, from Jan. 1, 1937; payable semi-annually on Jan. and July 2. Initial dividend of $2.50 paid July 2, 1937. Issue was previously entitled to 7% per annum. Dividends paid regularly at this rate to and including Jan. 2, 1932; rate cut to 3½% per annum with payment of 1¾% on July 2, 1932, and this rate was continued to and including Jan. 2, 1937. Arrears of dividends amounting to $17.50 per share as of that date were funded by the issue of arrears certificates.
Common—None paid to date.

Head Office—London, Ont.

Officers and Directors—
Officers—W. S. Thompson, pres.; J. D. Good, vice-pres.; A. S. Thompson, gen. mgr.; J. G. Thompson, sec.-treas.
Directors — W. S. Thompson, J. G. Thompson, J. D. Good, W. L. Baragar, W. H. McPhillips, A. S. Thompson, R. W. Robertson, T. W. McFarland, Miss M. O'Donnell, London, Ont.

Sales and Earnings—

Year	‡Sales	Net Profits
1930	670,000	†56,000
1931	640,000	†61,000
1932	*	35,000
1933	*	36,520
1934	*	25,520
1935	*	31,848
1936	850,000	34,429

†After depreciation and provision for doubtful accounts.
‡Figures approximate. *Not published.

Earnings per Share and Dividend Record:

Preferred: Earned	$7.05
Paid	3.50

Market Record—

	*1937		1936		1935	
	H	L	H	L	H	L
Com.	38	3	2⅞	2	3	1¼
Pref.	85	80	80	66	72	58¼

*To Aug. 25.

Tooke Bros.

Company Expects to Show Profit for First Time Since 1930

Operations of Tooke Bros., Ltd., manufacturers of shirts, collars, pyjamas, underwear, etc., have shown marked improvement in the current year, sales being substantially higher than in 1936. It is expected that the company will show a profit for the first time since 1930.

For the 18 months ended Dec. 31, 1936, however, the company reported a deficit of $58,365, compared with $24,697 in the year ended June 30, 1935. The company has made no provision for depreciation since 1931 as the depreciation reserve amounts to 33 1/3% of the original appraisal value of fixed assets and directors consider that present conditions do not necessitate an increase. Replacements and repairs during the past five years were charged to operations.

While there has been a steady reduction in working capital during the six years from over $1 million to $437,752, the liquid position of the company is regarded as satisfactory. At the end of 1936, current assets amounted to $519,000 as against current liabilities of $61,000.

Capitalization—	Authorized	Outstanding
Common, n.p.v...	10,000 shs.	8,725 shs.
Preferred	$1,250,000	$985,000
7% cumulative, par $100.		

Funded Debt—
1st mtge. 7% bonds, due 1942, $195,700.

Dividend Record—
Preferred—Entitled to 7% cumulative, payable Jan., Apr., July and Oct. 15; paid regularly from April, 1927, to July 15, 1931; none since.
Common—None paid.

Head Office—Montreal.

Officers and Directors—
Officers—W. K. Trower, pres.; H. H. Woodward, vice-pres. and man. dir.; G. A. Blundell, sec.-treas.
Directors—W. K. Trower, H. H. Woodward, H. J. Trihey, F. J. Knox, W. G. Hanson, C. W. MacLean, Montreal; H. Barrett, Toronto.

Earnings per Share & Divd. Record—

	1936	1935	1934
Pref.: Earned ..	†d$5.93	d$2.51	d$3.83
Paid	nil	nil	nil
Common: Earn.	†d14.59	d10.73	d12.23
None paid.			

†For 18 months period end. Dec. 31, 1936.

Seven Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1930	163,185	68,950	386,965
1931	40,320	68,950	258,937
1932	*27,830	......	117,387
1933	*319,216	......	*42,473
1934	*22,804	......	*80,190
1935	*10,110	......	*120,801
1936†	*37,760	......	*178,417

*Loss or deficit. †For 18 months.

Market Record—

	*1937		1936		1935	
	H	L	H	L	H	L
Com. ...	6	2	1½	1	..	..
Pref. ...	34¾	17	25	10	15	10

*To Aug. 26.

Prairie Power Increase

An output of more than a billion kilowatt hours was recorded in the Prairie Provinces for the first half of the current year, or 1,017,282,000 kw.h., compared with 948,891,000 kw.h. in the same six months of last year, the workday average being 5,620,000 kw.h. and 5,214,000 kw.h. respectively.

Monarch Knit

Preferred Arrears Remain at $50 a Share — Profits Lower

The Monarch Knitting Co., Ltd., makes heavy and fancy knitted goods, lingerie and hosiery at its plants in Dunnville, St. Catharines and St. Thomas, Ont.

Competitive conditions in the Canadian market, especially in full fashioned silk hosiery, coupled with rising costs and increased taxes, led to a decrease in the company's net profit from $62,597 in 1935 to $17,239 in 1936, this being the lowest profit shown since 1932. As a result, the preferred dividend of $7 per share, payments of which were resumed in 1935, was not covered for first time since 1932, earnings amounting to only $2.30 per share. Although working capital of $779,455 is considered to be adequate, no further payments have been made on preferred arrears, which now total a little over $50 per share.

Capitalization—	Authorized	Outstanding
Common	$1,275,000	$1,275,000
Pref. 7% cum...	750,000	750,000
Shares $100 each.		

Funded Debt—
None.

Dividend Record—
Preferred: Entitled to 7% cumulative, payable Jan., Apr., July and Oct. 1; paid regularly 1912 to Nov., 1924; one month's payment (7/12%) made in 1925; none thereafter to May, 1929; paid regularly to Nov., 1930; none thereafter to Feb. 20, 1934, when $3 paid; $1 paid Apr. 2, July 3 and Oct. 1, 1934, and Jan. 2, 1935. Regular quarterly payments $1.75 resumed Apr. 1, 1935. As at Dec. 31, 1936, arrears totalled 50 1/6%.
Common—None since 1921.

Officers and Directors—
Officers—J. A. Burns, pres.; T. A. Russell, vice-pres.; W. J. Appleyard, sec.
Directors—J. A. Burns, Dunnville, Ont.; T. A. Russell, F. J. Coombs, Col. F. H. Deacon, G. C. Bibble, Toronto.

Earnings per Share and Dividend Record—

	1936	1935	1934
Pref.: Earned ...	$2.30	$8.35	$11.47
Paid	7.00	7.00	7.00
Common: Earned*	†2.77	0.79	2.63
None paid.			

*After deduction of full year's preferred dividend.

Seven Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1930	†59,613	52,500	498,313
1931	52,511	....	514,196
1932	47,165	....	526,361
1933	114,860	....	594,248
1934	135,063	52,500	627,749
1935	107,718	52,500	636,864
1936	55,736	52,500	597,765

†Loss.

Market Record—

	*1937		1936		1935	
	H	L	H	L	H	L
Com.	5½	4⅛	5	3	5	2½
Pref.	86	50½	90	83¼	90	71½

*To Aug. 24.

Brantford Cordage

The largest manufacturer of binder twine in the British Empire, Brantford Cordage Co. sells approximately two thirds of its output in the Canadian market and exports the remainder.

Regular dividends have been maintained on the first preferred and two years' dividends were paid on the second preferred in the year ended Aug. 31, 1936, leaving arrears on the latter stock at $14.33 a share at Aug. 31, 1936.

Capitalization—	Authorized	Outstanding
1st pref., par $25	$1,000,000	$1,000,000
2nd pref., par $25	850,000	850,000
Common, n.p.v.	80,000 shs.	80,000 shs.

Funded Debt—
None.

Dividend Record—
1st preferred; $1.30 cumulative, payable Jan., April, July and Oct. 15. Initial payment of 32½ cents made Oct. 15, 1936; regularly since. 2nd preferred; $1.75 per annum, cumulative from April 15, 1925. Initial dividend of $1.75 per share paid Nov. 25, 1930. $1.75 per share paid Dec. 31, 1925, and Jan. 31, 1936. Common: None paid. Previous 8% 1st pref. paid regularly from issuance to redemption on July 15, 1936.

Head Office—Brantford.

Officers and Directors—
Officers—W. M. Messecar, pres. and gen. mgr.; T. Neilson, W. C. Wells, vice-presidents; W. C. Wells, sec.-treas.
Directors — W. M. Messecar, W. C. Wells, C. Johnson, P. R. Logan, Brantford, Ont.; Glyn Osler, K.C., H. R. Tudhope, Toronto.

Earnings per Share and Dividend Record:

	1936	1935	1934
1st pref. (new):			
Earned	$7.46	...	...
1st pref. (old 8%):			
Earned	...	$4.21	$3.34
Paid	*1.50	2.00	2.00
2nd pref.: Earned	†7.24	3.61	3.05
Paid*	3.50	...	...
Com.: Earned§ ..	†2.33	0.79	0.55
None paid.			

*Second preferred in arrears $14.33 as at August 31, 1936.
†Based on new capitalization.
§After providing for payment of $1.75 per share on second preferred stock.
*Three quarterly payments; final payment included with redemption price.

Paton Mfg.

Paton Manufacturing Co., Sherbrooke, Que., does not issue a financial statement so that it is impossible to tell exactly what progress the company is making. It is understood, however, that earnings last year were substantially better than in 1935 and that in the current year the company, like other textile manufacturers, has benefitted from increased demand.

Earnings figures released by the company in connection with the sale of a refunding bond issue last year showed that net earnings available for interest and income taxes in 1935, after providing for depreciation, amounted to $40,160, compared with $95,978 in 1934. Operations in 1935 were adversely affected by the severe drop in the world price of wool.

During the first six months of 1936, however, operations showed marked improvement, net earnings after depreciation but before interest and income taxes amounting to $53,134. It was estimated that earnings for the full year would amount to $100,000.

The company's position has been improved by refunding of its first mortgage bonds on a 4½% basis. The issue which was redeemed carried a 6% coupon.

Capitalization—	Authorized	Outstanding
Com., n.p.v. ...	10,000 shs.	10,000 shs.
Pref., par $100 .	$600,000	$600,000

Funded Debt—
4½% 1st mtge. bonds, due 1956, outstanding $700,000.

Head Office—Montreal.

Dividend Record—
Preferred: 7% cumulative, payable Mar., June, Sept. and Dec. 15. Paid regularly since June, 1923.
Common: None reported.

Officers and Directors—J. M. Mackie, pres.; J. G. Dodd, vice-pres.; A. F. Anderson, sec.-treas.; J. N. Laing, Sir Charles B. Gordon, Sir Herbert S. Holt, Hon. A. J. Brown, F. R. Daniels, all of Montreal.

Earnings—
Earnings available for interest and taxes, for fiscal years ended April 30, are reported as follows: 1936 (6 mos.), $53,134; 1935, $40,160; 1934, $95,978; 1933, $106,185; 1932, $126,185; 1931, $132,867; 1930, $157,223.

Market Record—

	*1937		1936		1935	
	H	L	H	L	H	L
Com. ...	20	15	25	18	17	17
Pref.	..	..	110	100	95	94

*To Aug. 25.

Mayor of Cornwall Gets Taste of Trouble

Mayor Aaron Horowitz of Cornwall, Ont., who functioned during the recent Canadian Cottons Ltd. strike there as intermediary between strikers and management, and tended to display sympathy for and commendation of the workers, now knows what it means to have a strike on his own doorstep. The mayor is head of men's clothing plants, 275 employees of which walked out last week in a strike for higher pay and a collective bargaining agreement. The strike was organized by the Amalgamated Clothing Workers, a C. I. O. union, after alleged discharge of union workers.

Belding

No Marked Change in Operations in Current Fiscal Year

Operations of Belding-Corticelli Ltd. in the current fiscal year which ends on Nov. 30 next have not shown any marked change and it is expected that profits will be about the same as in 1936.

Operating profits of the company last year showed slight improvement, amounting to $346,788, compared with $320,731 in the year ended Nov. 30, 1935. Smaller profit from investments and larger provision for depreciation reduced the margin of improvement, however, so that net profit amounted to $106,770, compared with $102,340 in the previous year.

The financial statement for 1936 showed several minor changes in the current asset position of the company. During the year cash on hand and investment in Government bonds was reduced while inventories increased from $382,060 in 1935 to $459,320. Working capital at $886,455 showed a slight increase.

During 1936 the company spent $131,984 on additional plant facilities, principally consisting of additions to its hosiery plant. A. O. Dawson, president, stated in the annual report that further expenditures of a like nature would doubtless be necessary each year.

Capitalization—	Authorized	Outstanding
Pref., par $100 ..	$1,650,000	$865,300
Com., par $100 ..	850,000	749,500

Funded Debt—
None.

Dividend Record—
Preferred—7% payable Jan., Apr., July and Oct. 2.
Common—4% per annum, payable Jan., Apr., July and Oct. 2. Reduced from 7% to 4% May 1, 1933.

Officers and Directors—
Officers—A. O. Dawson, pres.; W. P. McDougall, vice-pres. and man. dir.; D. F. Pollock, sec.; J. P. Kennedy, treas.
Directors—A. O. Dawson, W. A. Black, P. F. Sise, J. M. Mackie, R. C. Vaughan, A. S. Bruneau, W. P. McDougall, Montreal.

Earnings per Share and Div. Record—

	1936	1935	1934
Pref.: Earned ...	$12.34	$11.83	$11.37
Paid	7.00	7.00	7.00
Com.: Earned ..	6.16	5.57	5.04
Paid	4.00	4.00	4.00

Seven Years Earnings—

Year	Earnings $	Dividends $	Surplus $
1930	321,112	113,036	518,663
1931	267,342	113,036	479,541
1932	305,363	113,036	470,487
1933	276,335	90,551	475,592
1934	286,756	90,551	483,405
1935	352,964	90,551	495,194
1936	367,907	90,551	511,413

Market Record:

	*1937		1936		1935	
	H	L	H	L	H	L
Pref. ..	130	123¼	145	127	125	116
Com. ..	107	100	110	97½	98⅝	85

*To Aug. 26.

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A Standard of Quality
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Moco fabrics and yarns have been favourably known throughout the Dominion for over six decades. Behind this reputation for quality stands a company which is still operating under its original identity making it the oldest cotton manufacturer in Canada.

Throughout its growth and progress Montreal Cottons Limited has never compromised with quality and to-day Moco fabrics and yarns enjoy a better reputation than ever.

The MONTREAL COTTONS Limited
MONTREAL TORONTO WINNIPEG VANCOUVER

STOCK AND BOND MARKET QUOTATIONS

Montreal, Toronto, Curb

The following table is confined to official prices for listed stocks. Where no recent transaction is recorded, bid and asked prices are given. For unlisted stocks, quotations by unlisted dealers are published. The Financial Post cannot accept any responsibility for such quotations.

WEEK ENDING AUGUST 30

Range 1937 High	Low	Div R'te $	Aug 28 Y'ld %		Sales	Last Aug. 23	Week end. Aug. 30 H	L	Cl'se
				A					
15½	6	*	...	Abitibi	3740	6	6	5½	6
80	41½	*	...	Do. pref. 6% ..	2461	57½	59½	53½	55
97	60	*	...	Do. pref. 7% .	30	76	72	72	72
79½	41	*	...	Do. cert. dep..	....	(72½ bid 73 asked)			
6½	4	10c	...	Acadia Sugar ..	....	(— bid 5 asked)			
18½	9	50c	5.5	Acme Glove ..	....	(10 bid 11 asked)			
94	75	6.50	8.7	Do. pref.	....	(75 bid — asked)			
12	8½	60+30c	.	Agnew Surp. ..	105	12	12	11½	12
110	105	7	6.6	Do. pref.	5	110	106	106	106
7	2½	*	...	Alta. Pac. Gr. ..	375	3	3	2½	2½
43½	15	*	...	Do. pref.	200	15½	15	15	15
135	114	*	...	Aluminum	....	(112 bid 114 asked)			
130	130	6+7.75a	.	Do. pref.	....	(— bid 126 asked)			
7	4	*	...	Amal. Electric .	....	(5 bid — asked)			
31	26	*	...	Do. pref.	100	30	31	30	30
35¾	29½	15c	...	Amer. Cyn. B..	....	(— bid 43 asked)			
92	78	*	...	Asbestos	1584	85	86	79	82
16	11	80c	5.7	Assoc. Brew. ..	580	14½	14	13½	14
111	106	7	6.3	Do. pref.	....	(111 bid — asked)			
6½	6½	*	...	Assoc. T. & T.A.	....	(— bid 6½ asked)			
57	45	1.26	...	Do. pref.	....	(— bid 46 asked)			
102½	100	5.50	5	Ault & Wiborg pf	....	(— bid 100 asked)			
				B					
60	57	2.25	3.7	Bank of Canada	104	59	60	58½	60
161½	145	8	4.9	Bk. Can. Nat. ..	1	160½	160	160	160
245	219	8	3.6	Bk. Montreal ..	76	224	223	220	220
340	305	12	3.6	Bk. N. Scotia..	203	335	340	335	336
273	246	10	4	Bk. Toronto ..	38	250½	255	250	250
8	6		...	Barcelona	....	(4½ bid 7½ asked)			
15	10	96c	9.6	Barker's Bread.	175	10¾	10½	10	10
46	43½	2.50	5.7	Do. pref.	25	43½	44	44	44
24¾	17	*	...	Bathurst Pr. ...	1698	20¾	21½	19½	19½
12½	6¾	*	...	Do. (B)	340	10	9½	9½	9½
5½	1½	*	...	Bawlf Grain ..	100	2	2	2	2
36	16	*	...	Do. pref.	....	(— bid 25 asked)			
10	4	*	...	Beath & Sons..	70	5½	4	4	4
21½	14¾		...	Beatty Bros. A.	160	19	18¾	18½	18½
112	100	6	5.5	Do. pref.	....	(107 bid 116 asked)			
105	99	7	7	Do. 2nd pref..	....	(100 bid 105 asked)			
10	5		...	Beauharnois ...	2677	8½	8½	7½	8
107	100	4	3.8	Belding Cort. ..	....	(— bid 107 asked)			
130	123½	7	5.6	Do. pref.	....	(125 bid — asked)			
178	154	8	4.7	Bell Telephone.	1008	169½	170	169	169
16½	10	25c	...	Biltmore Hats ..	50	12½	12½	12	12
110	109½	7	6.4	Do. pref.	....	(— bid 120 asked)			
13	8½	*	...	Bissell, T. E. ..	....	(7 bid 15 asked)			
70	45	*	...	Do. pref.	....	(50 bid 60 asked)			
6¾	4		...	Blue Ribbon ...	50	4½	4½	4½	4½
40	24	2	5.3	Do. pref.	15	37½	38	38	38
29½	24¾	1.30	5.2	Brant. Cord. pf.	50	25	25	24¾	25
30½	18½	90c	...	Brazilian Tr. ..	15610	25¾	26	24¾	25
9½	6	1.40+10c		Brew. & Distil.	140	7	7	6½	7
8½	6	30c	4.6	Bright, T. G...	....	(6½ bid — asked)			
†82	75½	6	...	Do. pref.	....	(71 bid — asked)			
26½	21¾	1+20c	5.2	Brit. Amer. Oil	4472	23	23	22¾	23
22	16		...	B. C. Packers..	268	16½	17	16	16
39½	34	1.80	5.1	B. C. Power A.	285	35½	35½	35	35
11½	7	*	...	Do. (B)	60	7½	7½	7½	7½
12	5	*	...	Bruck S. Mills.	50	6½	6¾	6½	6½
74½	56½	1.40+50c.		Building Prod..	90	62	63	62	62
30	14¾	35c	...	Burlington Steel	1585	18½	19	18½	18½
8	4½		...	Burry Biscuit ..	200	4½	4½	4½	4½
60	50	3	6	Do. pref.	....	(40 bid 50 asked)			
44½	39	2	4.9	Burt, F. N.	200	41½	41½	41	41
				C					
105	100	.	...	Calgary Power.	....	(— bid 100 asked)			
92	79	6	7.2	Do. pref.	....	(— bid 84½ asked)			
10½	6	.	...	Canada Bread .	....	(6½ bid 7 asked)			
103½	99½	5	4.8	Do. pref.	5	102	103	103	103
56½	49	2.50+12½c		Do. pref. (B)	10	50	49	49	49
10½	8	40c	...	Canada Bud ...	605	9	9	9	9
23	14¾	.	...	Canada Cement	601	15½	16	15½	15½
116½	102	3.25	...	Do. pref.	400	109½	110	107½	107½
82½	60	1.50+1	2	C. & D. Sugar .	....	(— bid 81 asked)			
b30½	22½	*	...	Canada Dry ...	8700	25	25½	22½	22½
20¾	16	*	...	Can. Forg. (A) .	25	17	17	17	17
18	14	*	...	Do. (B)	....	(— bid 14½ asked)			
31	30	*	...	Can. Iron	....	(34 bid — asked)			
72	66½	6	7.2	Do. pref.	....	(74 bid — asked)			
39	34	1.50+50c	5	Can. Malting .	400	37	37½	36½	37½
20½	20	1.20	5.7	Can. Nor. Pr. ..	60	22	21	21	21
112	108	7	6.4	Do. pref.	51	111	111	110	110
96	82	3	3.5	Can. Packers .	220	88	85	84½	84½
7	1¾		...	Can. Paving, pf.	....	(1¾ bid 6 asked)			
160	146	8	5.2	Can. Perman. .	31	154	155	152	152
25	25		...	Can. Starch ...	....	(6 bid — asked)			
109	105	7	6.7	Do. pref.	....	(105 bid — asked)			
7	2	*	...	Can. Steamsh's	2452	4½	5½	4½	5½
18½	9	*	...	Do. pref.	5367	13¾	15½	13½	15½
21	17	1.20	6.5	Can. Vinegars .	45	17½	19	18½	18½
79	50	*	...	Can. W. Cable.	150	76	76½	76	76
34	19	.	...	Do. (B)	198	32	34	32	33
118	114	6½	...	Do. pref.	....	(116 Apr. 30)			
6½	4	*	...	Can. Bakeries ..	....	(4 bid 6 asked)			
73	50	*	...	Do. pref.	....	(49 bid 55 asked)			
211	180	8	4.3	Can. Bk. Com..	83	184	185	183	183½
4	2¾	.	...	Can. Breweries.	1926	2¾	3	2½	3
23½	14½	2	9.6	Do. pref.	820	21	21	20	20½
61½	44	1.50+75c.		Can. Bronze ..	165	47	47	44	44
110	104	5	4.6	Do. pref.	....	(107¾ bid — asked)			
9½	7½	.	...	Can. Canners ..	....	(8 bid 8¾ asked)			
20½	16½	1	5.2	Do. 1st pfd...	455	19½	19½	19½	19½
12½	10	15c	...	Do. 2nd pfd...	215	11	11½	11	11
21¾	13½	*	...	Can. Car. & F'y	1277	15½	15¾	14½	15½
32	23		...	Do. pref.	1290	26	27	25½	27
31	23	1.60	6.5	Can. Celanese .	165	24¾	24½	24¾	24½
126	116	7	6	Do. pref.	15	117	117	116	116
22	21	.	...	Do. rights	....	(19 bid — asked)			
32	19	.	...	Can. Convert. .	....	(12 bid 19 asked)			
93	65½	4	4.4	Can. Cottons ..	....	(90 bid — asked)			
109½	105	6	5.5	Do. pref.	....	(108½ bid — asked)			
47	38	2+1	7.3	Can. Dredge ...	106	42	42	40½	41
103	101	6	5.9	Can. Fairb. pf..	....	(102 bid — asked)			
33	23	1.60+40c		Can. For. Inv..	110	26	25	25	25
107	105	8	7.6	Do. pref.	....	(105 bid — asked)			
240	203½	6	2.9	Can. Gen. Elec..	10	209	209	208	208
12	9¾	50c	...	Can. G. Inv. ..	....	(10 bid 10½ asked)			
94	71	*	...	Can. Hyd. E. p.	465	91	91½	91	91
8½	4½	*	...	Can. Ind. Alc...	9047	6½	7½	6½	7
7¾	4	*	...	Do. (B)	280	4½	5	4½	5
249	234	6.75		Can. Indust. B.	10	235	234	234	234
160	153	7	4.4	Do. pref.	....	(158 Aug. 20)			
5	2		...	Can. Int. I. Tr..	....	(1¾ bid 2¾ asked)			
60	93	3.75		Do. pref.	....	(— bid 91 asked)			
21	15	1	6.2	Can. Lt. & Pr..	50	16	16	16	16
23½	12	*	...	Can. Locomo. ..	15	13	13¾	13	13¾
3½	1½	.	...	Can. Marconi ..	2300	2	2½	1¾	2½
19	10	80c	4.2	Can. Oil	....	(13¾ bid 16 asked)			
125	115	8	6.8	Do. pref.	160	116	118	116½	118
17½	11	*	...	Can. Pacific ...	5423	11½	11¾	11	11½
7½	1	*	...	C. Pr. & Pa. In.	217	4	4	2½	3
27½	17	*	...	Do. pref.	....	(17 bid 19½ asked)			
16	7	*	...	Can. Vickers ..	185	9½	9	7½	7½
45	30	*	...	Do. pref.	....	(29 bid 35 asked)			
24	25	1	...	C. Wallpaper, A	....	(— bid 25 asked)			
27½	24	1	...	Do. (B)	....	(— bid 25 asked)			
67	62	3	3.2	Can. West'ho'se	....	(62 Aug. 14)			
4	1¾	.	...	Can. Wineries .	210	2½	3	2½	2¾
25	22	2.12½	...	Can. Wire Box.	....	(23½ bid 24 asked)			
6.50	5.75		...	Capital Estates.	6	6.00	5.75	5.75	5.75
107	100	6	5.8	Carnation, pfd..	....	(102 bid 103 asked)			
11½	6	25c	...	Catelli Food ...	16	6	6	6	6
11	10	35c	...	Do. pref.	....	(10 bid 11 asked)			
3.00	1.35		...	Celtic Knit.	....	(1.80 bid — asked)			
175	175	6	4.6	Cent. Can. L'n.	....	(160½ bid 165 asked)			
1.44	.60		...	Chem. Research	2100	.80	.75	.75	.75
2.30	.65	*	...	City Gas & El..	100	.65	1.25	.90	1.25
.80	.30		...	Claude Neon ..	550	.30	.35	.35	.35
14.12	12.25	1.08	8.1	Coast Brew. ..	368	13.30	13.30	13.05	13.25
22½	13½	*	...	Cockshutt Plow	940	15	15	14	14
4.00	1.75	*	...	Comm. Alcohol	975	2.50	2.50	2.12	2.35
5	3½	10c	...	Do. pref.	1225	4¾	4¾	4¾	4½
23	19½	1+20c	..	Cons. Bakeries .	45	20	20½	19½	20
24½	10½		...	Cons. Paper ...	22796	17½	18¾	17½	18½
22	12½	25c	...	Cons. Press ...	....	(17½ bid 18 asked)			
60	47		...	Cons. Sand, pf.	....	(50 bid 60 asked)			
100½	72	50c+$1.	.	Cons. Smelters .	5777	82	84½	80	82
211	197½	10	5	Consumers' Gas	121	197½	199	197½	198
95½	89	7	7.6	Corr. P. Box, p.	30	92	93½	92	93½
27½	22	1	4	Cosmos Imp. ..	43	25	25½	25	25½
105½	103½	5	4.8	Do. pref.	....	(105 bid — asked)			
22	18	80c	3.8	Crown Cork ..	100	21	21	21	21
2½	1½		...	Crown Dom. Oil	25	2	2	2	2
50	40	3	...	Crow's N. Coal.	....	(45 bid 47 asked)			
				D					
5¾	4	.	...	David & Fre. A.	....	(5 bid — asked)			
½	½	.	...	Do. (B)	....	(½ bid 1 asked)			
22½	15	.	...	De Havilland ..	....	(— bid 16 asked)			
82	65	.	...	Do. pref.	....	(— bid 80 asked)			
10	5	.	...	Disher Steel ...	....	(4½ bid 7¾ asked)			
18¾	15½	.	...	Do. pref.	....	(13 bid 14¾ asked)			
29	20	.	...	Distill.-Seagram.	1238	22	22½	20¾	21½
94½	87	5	5.7	Do. pref.	30	92¾	87	87	87
..	..	.	...	Dom. Ang. Inv..	....	(90 bid 95 asked)			
95	95	.	...	Do. pref.	....	(90 bid 95 asked)			
250	215	10	4.5	Dom. Bank	45	222½	226	224	225
58¾	47	1.20	2.5	Dom. Bridge ..	535	49½	49½	48	48
24	19	1.50	7.2	Dom. Coal, pf..	1545	20½	21½	20½	21
73	59	.	...	Dom. Engineer .	35	62	60	60	60
43½	29	25c	...	Dom. Foundries	195	41½	42	40¾	40¾
99	97½	6	6.2	Do. pref.	....	(97½ July 30)			
118	110	5	4.3	Dom. Glass	15	112	115	115	115
153	140	7	4.8	Do. pref.	10	145	145	145	145
42½	40	.	...	Dom. Oilcloth .	....	(— bid 40½ asked)			
105	105	7	6.7	Dom. Rubber, p.	....	(99 bid — asked)			
5	3¾	.	...	Dom. Scot. Inv.	....	(— bid 4 asked)			
44	38	2	...	Do. pref.	....	(— bid 39¾ asked)			
28¾	12½	.	...	Dom. St. & C.B.	16061	23	23½	21½	22¾
12¾	8¾	.	...	Dom. Stores ..	30	8¾	8¾	8½	8¾
18½	12	.	...	Dom. Tar & Ch.	1206	13½	13½	12½	12½
91	86	5.50	6.2	Do. pref.	75	90	88½	88½	88½
86	73	5	6.2	Dom. Textile ..	337	80	81	79	80
149	140	7	5	Do. pref.	5	140	140	140	140
19½	13½	.	...	Donnacona P.A.	1608	16	16¾	15	15¾
19	13½	.	...	Do. (B)	297	15½	15½	15	15½
20	13½	.	...	Dryden Paper .	615	17	17½	15	15
				E					
7	2	.	...	East. Koot. Pr..	....	(1½ bid — asked)			
36	11	.	...	Do. pref.	....	(6 bid 13 asked)			
5	1½	.	...	East. Dairies ...	....	(1¾ bid — asked)			
30	8½	.	...	Do. pref.	15	10½	9	8½	9
24	18½	.	...	East. Steel	25	19½	19½	19½	19½
110	106	7	6.5	Do. pref.	....	(107 bid 110 asked)			
70	60	7	10	East. Theat., pf.	5	70	65	65	65
9½	4¾	*	...	Easy Washing .	105	6½	6½	5¾	5¾

Range 1937 High	Low	Div R'te $	Aug 28 Y'ld %		Sales	Last Aug. 23	Week end. Aug. 30 H	L	Cl'se
39	34	1.37½	...	Economic Inv. .	....	(35½ bid 37 asked)			
24	17	1.60+30c.		Electrolux	865	19	19	18	18
8½	4½	.	...	Enam. & Heat..	25	5½	5½	5	5
40	30	62½c	...	English Electric	165	39	39¾	38½	38½
16¾	10	*	...	Do. (B)	1241	14	16	14½	16
8	5	.	...	Equitable Life .	25	7	8	8	8
10½	7¾	30c	...	European El. A.	....	(7¾ bid 8 asked)			
.65	.65	*	...	Do. Warrants	....	(.25 bid — asked)			
				F					
13	8	*	...	Fairchild Air ..	865	8½	8¾	8½	8½
35	24	*	...	Fam. Players ..	....	(20 bid — asked)			
34	25	.	...	Do. Vot. Tr...	....	(22 bid — asked)			
25½	19	50c	...	Fanny Farmer .	5710	25½	25½	24½	24¾
10½	10	.	...	Fleet Aircraft .	....	(— bid — asked)			
29¾	21½	1	4.4	Ford Motors A.	4012	24½	24½	22¾	22¾
2½	1	.	...	For. Pr. Secs. ..	....	(1 bid — asked)			
31	21½	*	...	Foundation Co..	360	23	23	21½	21½
50	29	*	...	Fraser Cos.	157	43	44½	41	43
50	29½	*	...	Do. Vot. Tr...	2600	43½	45	42	43
52	44	*	...	Freiman, pf. ...	25	45½	45	45	45
11	6	*	...	Frost Steel	....	(7½ bid 8 asked)			
107	100½	7	6.8	Do. pref.	....	102¾ bid 108 asked			
46	40	*	...	Do. pref. (A)	....	(45 Aug. 17)			
				G					
14	11¾	*	...	Gatineau	162	13½	13½	12¾	13½
76	73¾	*	...	Do. pref.	518	74	74½	73¾	73¾
18½	8	*	...	Gen. St. Wares.	2450	15¾	16	14½	15½
110	76		...	Do. pref.	270	105	107	104½	106
97½	82	2.50+2.50		Goodyear Tire.	60	96	97½	92	92
57	52¾	2.50	4.6	Do. pref.	50	54¾	54¾	54½	54½
26¾	13½	*	...	Gt. Lakes Pap..	174	23	23½	22	22
53¾	33	*	...	Do. pref.	1387	51	52½	48½	50½
3½	1	*	...	Gt. W. Saddlery	125	1½	1	1	1
40	29½	*	...	Do. pref.	....	(25 bid 33 asked)			
15½	7½	20c	...	Gurd, Chas. ...	260	11½	11½	11½	11½
105	95	7	6.7	Do. pref.	....	(103 bid — asked)			
18½	11¾	*	...	Gypsum, Lime .	1710	13	13½	12	12½
				H					
18½	11¾	*	...	Ham. Bridge ...	350	15	15¾	14	14
90¾	63	*	...	Do. pref.	25	80½	81	81	81
40½	30	2+50ca	5.6	Ham. Cot., pf.	....	(34 bid 35 asked)			
3½	2		...	Ham. U. Theat..	25	2	2½	2½	2½
60	55¾	6	...	Do. pref.	....	(63 bid 75 asked)			
7	4½	20c	...	Harding Carpet.	400	5½	5½	5½	5½
5	5	*	...	Hillcrest Coll. ..	....	(2½ bid — asked)			
25	15	*	...	Do. pref.	....	(— bid 30 asked)			
22½	19	1	4.6	Hinde & Dauch	200	22	21¾	21½	21½
18	14	*	...	Holt Renfrew .	....	(14 bid — asked)			
75	56	*	...	Do. pref.	45	65	75	74	75
1.75	.50	*	...	Honey Dew ...	560	.75	.70	.60	.60
15	8	*	...	Do. pref.	....	(11 bid 11¾ asked)			
34½	18½	*	...	H. Smith Pap. ..	885	29½	29½	28	28
106	99½	6	5.8	Do. pref.	30	103½	104	103½	104
32¾	25	2	7	Humberstone S.	....	(28 bid 30 asked)			
19	11¾	*	...	Hunts (A)	....	(12½ bid 13½ asked)			
18	12	*	...	Do. (B)	....	(13½ bid — asked)			
95	72	5	6.4	Huron & E. Mt.	....	(76 bid 80 asked)			
15½	11	.	...	Do. 20% pd...	....	(12½ bid 14 asked)			
13½	8½	*	...	Hydro Electric.	....	(7¾ bid 8½ asked)			
				I					
251½	218	10	4.4	Imperial Bank.	68	223	225	221¾	225
24¾	20	50+75c	6	Imperial Oil ..	7028	20¾	21	20½	21
15½	13¾	40+22½c		Imperial Tob. .	2350	14½	14½	14½	14¾
7¾	7	6%	...	Do. pref.	....	(7 bid — asked)			
38¾	33	1.50	4.2	Indust. Accept..	20	36	36	36	36
30½	32	1	...	Inter-City Bak..	....	(32 bid 35 asked)			
46	37½	5+2	...	Inter'c Coal ...	....	(41 bid 44 asked)			
130	125	8	6.4	Do. pref.	....	(125 bid — asked)			
†.20	.20	.	...	Int. Coal & C...	....	.10 bid .25 asked)			
b16½	8¾	*	...	Int. Hyd. E. A.	4800	12¾	13	12½	12½
18½	11	*	...	Int. Metal Ind..	355	13¾	14½	13½	13½
106	90½	.	...	Do. pref.	115	100	100½	97	97
105	97	5	5	Int. Mill., pf. ..	50	99½	100	99¾	99¾
73½	54	2	3.2	Int. Nickel	17180	64	64¾	61	62½
11	5	*	...	Int. Paints	25	6	6	6	6
20	18	.	...	Do. pref.	....	(18 bid 19 asked)			
b24¾	16½	*	...	Int. Pa. & P. A.	3400	19	19	17¾	18
b18	10¾	*	...	Do. (B)	1800	14	14	12¾	12¾
b9½	5½	*	...	Do. (C)	6800	7½	7¾	6¾	6¾
b121¾	90½	*	...	Do. pref.	9700	106	106½	100½	102¾
39¾	33½	1.50+1	7	Int. Pete.	4725	34½	35¾	34	35½
12½	4½	.	...	Int. Power	105	7	7	6¾	7
98	85	6	6.8	Do. pref.	110	88	88	88	88
†15½	13	1.12	...	Int. St. Rly. A.	....	(— bid 14½ asked)			
21½	15	.	...	Int. Util. (A)..	220	17½	18	17¾	17¾
3.12	1.00	*	...	Do. (B)	5326	1.70	1.70	1.40	1.50
				J					
38	34½	1.75	...	Jam. Pub. Ser..	....	(37 bid — asked)			
132	130	7	5.4	Do. pref.	....	(130 July 2)			
				K					
30	25		...	Kelvinator	10	26½	26	26	26
108	106½	7	6.6	Do. pref.	....	105½ bid 108 asked			
				L					
87	66½	*	...	L. St. John Pr..	362	85	85	80	82½
27	24½	*	...	Lake Sulphite .	410	26¾	26¾	24½	26
42½	25	*	...	Lake of Woods.	135	26	25	25	25
150	143	7	4.6	Do. pref.	....	(— bid 153 asked)			
75	55½	5	7.2	Landed Bank ..	....	(— bid 69 asked)			
22	15½	70c	3.9	Lang, J. A.	10	18	18	18	18
6	4½	.	...	Langley's	....	(— bid 6 asked)			
65	47	.	...	Do. pref.	....	(44 bid 49¾ asked)			
77	66	3	4.3	Laura Secord ..	10	70	70	70	70
15	8		...	Lindsay, C. W..	25	8½	8	8	8
78	66	.	...	Do. pref.	....	(— bid 72 asked)			
25¾	23	1+12½c	.	Loblaw (A)	1211	25	25	24½	24¾
23¾	21	1+12½c	.	Do. (B)	460	22¾	23	22¾	23
				M					
1.80	1.25	.	...	Mackenzie Air..	800	1.50	1.50	1.40	1.45
9	9	.	...	MacKin. Steel .	....	(9 bid — asked)			
64	60	.	...	Do. pref.	....	(65 bid — asked)			
37½	27	.	...	Maclaren Pr. p.	245	31	31	30½	30½
4	2	.	...	M. L. Gardens.	1	4	1	1	1
5	2½	.	...	Do. pref.	....	(4 bid 4½ asked)			
11	4	.	...	Maple Leaf	70	5	5	4¾	5
12¾	5	.	...	Do. pref.	13	6½	6	5½	5½
17	15½	80+10c.		Maritime Tele..	....	(15 June 25)			
16¾	16	70c	...	Do. pref.	....	(16 June 25)			
†18	13	.	...	Marcus Loew's.	....	(— bid 20 asked)			
125	120	5.25a	...	Do. pref.	....	(120 bid — asked)			
16¾	8½	.	...	Massey-Harris .	4315	10½	11¾	10½	10¾
74	50½	.	...	Do. pref.	385	57½	59	57	59
15	8½	40c	3.3	McColl Fron. ..	2055	12	12½	11¾	12
101	86¾	6	6.3	Do. pref.	76	95	96½	94	96½
6	1½	.	...	Melchers	....	(2½ bid 3½ asked)			
9½	5½	30c	...	Do. pref.	51	6	6½	6	6
2	1½	.	...	Mercury Mills..	....	(2 bid 10 asked)			
40	20	.	...	Do. pref.	10	25	24	24	24
54	49	2	3.7	Mitchell, J. S...	....	(50 bid — asked)			
†110	110	7	...	Do. pref.	....	(111 bid — asked)			
30	19	.	...	Mitchell, Robt..	105	21½	20	20	20
5½	4½	.	...	Monarch Knit..	....	(4½ bid — asked)			
86	50½	7	...	Do. pref.	....	(— bid 65 asked)			
50	36	2	4.2	Montreal Cot. .	25	50	48	48	48
110	104	7	6.4	Do. pref.	25	104½	108½	105	105
2	2	.	...	Mont. Is. Pr. ..	....	(1 bid 2 asked)			
37½	29	1.50	4.9	Mont. L. & Pr.	2860	31½	32½	30½	32
51	38	2	6.7	Montreal Loan.	....	(30½ bid — asked)			
17	15	1	...	Mtl. Refrig. pf.	....	(16½ bid — asked)			
2	1½	.	...	Do. Vot. Tr. ..	....	(2 bid — asked)			
65	57	3.20	5.1	Montreal Tele.	....	(— bid 61 asked)			
102	80	9	10	Montreal Trams	38	88	90	90	90
45½	41	1.60	3.5	Moore Corp. ..	320	45½	45½	45	45
190	172	7	3.9	Do. pref. (A)	5	185	180	180	180
267	255	7	3.8	Do. pref. (B).	....	(256 bid — asked)			
1.25	.60	.	...	Muirheads	100	.60	.65	.65	.65
5½	3½	.	...	Do. pref.	....	(4½ bid — asked)			
				N					
48½	37¾	2	4.9	Nat. Breweries	886	41	41½	40¾	41
45½	39	1.75	4.2	Do. pref.	....	(— bid 41½ asked)			
11	8½	.	...	Nat. Grocers ..	220	9½	9½	9½	9½
140	130	7+5.25a	.	Do. pref.	25	130	130	130	130
21½	17	.	...	N. Sew. Pipe A	....	18½	18½	18½	18½
57½	39¾	.	...	Nat. Steel Car.	410	49	48½	46	46
210	201	8	3.9	National Tr. ..	....	(202½ bid 209 asked)			
54	40	2	4.6	Niag. W. Weav.	100	43½	43	41	41
4.00	1.00	.	...	North Star Oil.	....	1.00 bid 1.75 asked			
4½	3½	35c	...	Do. pref.	175	3½	3½	3½	3½
97½	96	5	5.2	N. S. L. & Pr. .	....	(96 May 27)			
105	97½	6	5.8	Do. pref.	....	(102½ bid — asked)			
37	9½	.	...	N. S. Steel, pf. .	45	15	19	19	19
				O					
300	235	8	3.4	Ogilvie Flour ..	....	(— bid 230 asked)			
166	150	7	4.3	Do. pref.	....	153½ bid 165 asked			
112	106	5	4.5	Ontario Loan ..	2	112	110½	110½	110½
7½	4½	.	...	Ont. Silknit ...	....	(— bid 8 asked)			
71	64	7	10.9	Do. pref.	....	(— bid 58 asked)			
18¾	15	.	...	Ont. Steel	110	17	17	17	17
115	96	7+23.25a		Do. pref.	....	(96 bid — asked)			
3.50	1.75	.	...	Orange Crush .	50	1.80	1.80	1.80	1.80
10	5½	.	...	Do. pref.	....	(6½ bid 7 asked)			
30	30	.	...	Ottawa Car ...	4	30	30	30	30
100	86½	6	6.8	Ott. L. H. & Pr.	....	(86½ bid 89½ asked)			
105	101	5	4.9	Do. pref.	25	103	103	103	103
24	19½	2	8.3	Ott. Traction ..	....	(22½ bid — asked)			
				P					
110	96	2.75+25c.		Page Hersey ...	100	106½	106½	103	106
9½	5¾	.	...	Pantepec Oil ...	200	7½	7½	7	7
20	15	.	...	Paton Mfg.	....	(15 bid 25 asked)			
†110	100	7	...	Do. pref.	....	(110 Nov. 7, '36)			
63¾	58	3	4.8	Penmans	10	62	61½	61½	61½
130	124	6	4.8	Do. pref.	....	(125 bid — asked)			
26½	21	1	4.2	Photo Eng.	....	(22 bid 24¾ asked)			
102	96	7	6.9	Porto Rico Pr. p	....	(102 bid — asked)			
33¾	18	25c	...	Power Corp. ..	11119	23	23½	21¾	22
108	99	6	6	Do. pref.	40	100	100	99½	99½
3¾	2	.	...	Prairie C. Oil ..	160	2½	3½	3½	3½
36	27	1	...	Pressed Metals.	155	34	34	33½	34
53	25	.	...	Price Bros.	2672	43	43¾	40	41¾
79	64½	.	...	Do. pref.	880	73	73	71	72
				Q					
25¾	17	1	5.2	Quebec Power .	355	19	19½	19½	19½
5	4	.	...	Que. Telephone	....	(4½ bid 4½ asked)			
				R					
58	40	2	5	Real Estate L'n.	....	(40 bid 90 asked)			
11	8	.	...	Regent Knit ...	60	10	10	10	10
25	19	1.60	6.6	Do. pref.	....	(24½ bid — asked)			
4	2	.	...	Reinhardt Brew.	....	(2½ bid 4½ asked)			
14½	8	.	...	Reliance Grain.	....	(2 bid 8½ asked)			
29½	22	90+15ce		Remington R'd.	....	(— bid 26¾ asked)			
33	29	2	6.9	River. S. Mills.	10	30	29	29	29
8¾	4¾	.	...	Rogers Majest. .	355	6½	6½	6½	6½
31	26	1	...	Rolland Pap. ...	....	(— bid 29½ asked)			
33	25	.	...	Do. Vot. Trust	110	29	29	28½	28½
106½	102¾	6	5.8	Do. pref.	6	104	104	104	104
11½	7½	25c	...	Root Petroleum	....	(— bid 10 asked)			
227	194½	8	4	Royal Bank	279	197	198½	194½	195
78	56	2.75	...	Russell Motor .	....	(70 bid — asked)			
118	102	2	6.1	Do. pref.	....	(112 bid 115 asked)			
				S					
103½	98½	5.50	5.3	Saguenay Pr. p.	....	(— bid 102½ asked)			
22	13	.	...	Sarnia Br. (A) .	....	(13 bid 17½ asked)			
16	7	.	...	Do. (B)	....	(7 bid 10 asked)			
34	25½	80c	2.9	Shawinigan Pr.	2379	27½	28½	27	27½
30	22½	.	...	Sher. Wms.	240	23	23	22½	22¾
131	115	7	5.8	Do. pref.	....	(118 bid — asked)			
1.60	1.50	.	...	Silverwoods ...	22	1.50	1.50	1.50	1.50
4¾	3½	.	...	Do. pref.	845	3¾	4¾	3½	4¾
16	13½	.	...	Simon & Son ..	20	13½	13½	13½	13½
110	100	10.50	...	Do. pref.	151	103	110	110	110
110	93	5	5	Simpson, pf. ..	267	99	100½	98½	99½
38	20	.	...	Do. (A)	....	(— bid 25 asked)			
17	6½	.	...	Do. (B)	5	8½	8½	8½	8½
122	109	6	5.2	Simpson, R., pf.	58	114	115	113	115
18½	12	80c	5.7	So. Can. Pr. ...	125	14	14½	14	14½
108	104	6	5.7	Do. pref.	52	107	106½	106	106½
15½	8½	.	...	St. Law. Corp..	3398	12¾	13	12½	13
39¾	25	.	...	Do. (A)	1850	35	34½	31½	32½
25½	22	1	4.2	St. Law. Flour.	90	24	26	24	26
145	135	7	5.2	Do. pref.	....	(— bid 140 asked)			
99	63	.	...	St. Law. Pap. p.	985	95	96	90	93
15½	10	.	...	Stand. Chem. ..	5	14	14	14	14
14½	8	.	...	Stand. Clay	....	(— bid 14½ asked)			
9½	4½	.	...	St. Pav. & Mat.	70	4½	5	4½	5
56	30	.	...	Do. pref.	5	32	30	30	30
49½	36	3+2.75a	.	Stand. Steel, p.	....	(42 bid 45 asked)			
96½	77	1.75‡	2	Steel of Can...	578	86½	86½	84	84
88½	71	1.75	2.2	Do. pref.	82	80½	80	80	80
5	3½	.	...	Sterling Coal ..	....	(5 bid 6 asked)			
3.50	1.00	.	...	Stop & Shop ..	45	1.50	1.55	1.55	1.55
17	14½	80c	5.5	Stuart, D. A. pf	10	14½	14½	14½	14½
3¾	3	.	...	Supersilk H. ...	....	(3 bid — asked)			
85	80	2.50	...	Do. pref.	....	(— bid 85 asked)			
39	33½	1+25c	3.4	Sup. Pete. ord..	....	(37 bid 38 asked)			
39½	33	1+25c	3.5	Do. com.	....	(— bid 40 asked)			
				T					
16¾	15¾	80c	4.8	Tamblyn	780	16¾	16¾	16½	16¾
54	52	2.50	4.7	Do. pref.	10	52½	52½	52½	52½
2½	1½	.	...	Thayers	....	(2 bid 2½ asked)			
25	16½	2.50	...	Do. pref.	....	(18 bid 23½ asked)			
2	1	.	...	Thrift Stores ..	....	(½ bid 1 asked)			
8	5	.	...	Do. pref.	....	(3 bid 5 asked)			
16	10	60c	3.7	Tip Top Tailors	285	14½	16	14½	16
110	104	7	6.4	Do. pref.	70	109	109	109	109
6	2	.	...	Tooke Bros.	....	(3 Aug. 2)			
34¾	17	.	...	Do. pref.	....	(17 bid 25 asked)			
46	25	1	3.9	Tor. Elevators .	210	27	27	25	25½
52	47	2.62½	...	Do. pref.	5	50½	50½	50½	50½
110	80½	4	4.4	Tor. Gen. Tr. ..	25	95	90	90	90
126	120	6	5	Toronto Mtge..	8	123½	120	120	120
160	150	7	4.6	Tuckett Tob. p.	5	157	150	150	150
18	9½	.	...	Twin City	....	(9 bid 12 asked)			
				U					
19	13	27½c	...	Union Gas	2586	16½	16½	16	16
28	20	60c	...	Un. Amuse. A..	....	(— bid 27 asked)			
27	24	60c	...	Do. (B)	....	(— bid 27 asked)			
1.15	.65	.	...	United Distill. .	400	1.05	1.05	1.05	1.05
62½	46	3a	...	United Fuel, pf.	150	48	49	47	47
25	15½	2	...	United Secs. ...	....	(17 bid 23 asked)			
11½	6	.	...	United Steel ...	3405	8½	9¾	7¾	8½
				V					
8	2	.	...	Viau Bisc.	....	(— bid 3½ asked)			
60	48	5	10.4	Do. pref.	....	(— bid 48 asked)			
				W					
35	20	1+25c	4.5	Wabasso Cot. .	25	30	28	28	28
51½	42	2	4.2	Walker-Good. .	1322	49	49½	47¾	47¾
20	18½	1	5.1	Do. pref.	513	19¾	19¾	19	19¾
3½	1½	.	...	Walkerville Br..	235	2	2½	2½	2½
5	2	.	...	Waterloo Mfg. .	....	(1¾ bid 2 asked)			
12	5	.	...	West. C. Flour.	55	5½	5½	5½	5½
90	45	.	...	Do. pref.	10	48	45	45	45
71	65	3	4.3	West. Grocers..	....	(70 bid 71 asked)			
125	115½	7	5.9	Do. pref.	....	117½ bid 120 asked			
18½	13½	80+10c.	.	Weston Ltd.	2495	13½	14	13½	13½
106½	97	5	5.2	Do. pref.	20	97½	97	97	97
8	4	.	...	Windsor Hotel .	....	(— bid 5 asked)			
23	10	.	...	Do. pref.	....	(9 bid — asked)			
10½	3	.	...	Winnipeg El. A.	591	5½	5½	4½	5
10	3	.	...	Do. (B)	856	5	5	4½	4½
44	20	.	...	Do. pref.	10	29	27¾	27¾	27¾
75	53	3.50a	...	Wood, A. & J. p	....	(76 bid 93 asked)			
85	65	.	...	Woods Mfg., pf.	75	65	66	66	66
				Z					
7½	3¾	.	...	Zimmerknit, c..	85	5¾	5¾	5¾	5¾

† 1936.
a On account of arrears. b New York quotations.
‡ Plus extra of $2 paid Feb. 1, 1937.
* Plus stock bonus of 1% paid Jan. 2, and 1% Mar. 26, 1937.

Mining Stock Quotations

WEEK ENDED AUG. 30, 1937

Par Val.	Range 1937 High	Low	Company	Sales	Close Aug. 23 (or last)	High for week	Low for week	Close Aug. 30
1	.10½	.03	Afton..........	2,600	.03½	.03½	.03½	.03½
No	1.90	.73	Aldermac........	35,425	1.12	1.15	1.06	1.15
1	.04½	.01	Alexandria......	2,500	.02	.02	.02	.02
No	8.75	4.50	Anglo-Huronian..	910	5.85	5.75	5.60	5.65
1	1.42	.36	Argosy..........	8,679	.45	.45	.40	.42
1	1.42	.26	Arntfield........	4,300	.30	.35	.30	.35
No	.09	.02½	Arno............	2,600	.02½	.03	.03	.03
1	.15	.07½	Ashley..........	3,000	.08	.08½	.08	.08
1	.27	.06	Astoria Rouyn...	24,800	.08½	.08½	.08	.08½
50c.	.16	.07	Aztec...........	2,100	.11	.10	.09	.09
1	.49	.16	Bagamac.........	46,375	.33½	.40½	.30½	.31
1	1.85	.64	Bankfield........	10,221	.78	.80	.70	.73
1	.65	.24	Base Metals.....	7,450	.28	.30	.26½	.27
No	1.75	1.00	Beattie Gold.....	6,150	1.20	1.25	1.12	1.15
1	.65	.20	Beaufor.........	2,800	.30	.32	.30	.30
1	1.70	.38	Bidgood Kirk. ...	116,043	.62	.66	.60	.64
1	.72	.40	Big Missouri.....	8,750	.52	.53	.51	.52
1	.29	.12	Bobjo...........	6,550	.16½	.16	.15	.15
1	1.14	.19	Bouscadillac G. M.	3,050	.21	.24	.23	.24
No	9.00	6.40	Bralorne........	945	7.45	8.00	7.50	7.75
1	.15	.06	Brazil Gold......	100	.06	.06	.06	.06
1	.21	.05	Brett Trethewey	10,000	.09	.10	.08	.08
1	.13	.02	Brownlee........	2,000	.04	.04	.04	.04
1	12.50	8.25	Buffalo Ankerite .	705	10.50	10.75	10.25	10.50
No	.06½	.02	Buffalo Can......	2,000	.03½	.03	.03	.03
5	30.00	23.50	Bulolo Gold.....	10	24.25	24.50	24.50	24.50
No	.23	.10	Bunker Hill......	10,300	.15	.15½	.13	.13
No	2.30	.87	Can. Malartic...	14,185	1.30	1.35	1.20	1.23
1	1.75	1.41	Cariboo Gold....	100	1.61	1.65	1.65	1.65
1	.47½	.14	Cartier Malartic .	3,800	.20	.20	.16½	.20
1	1.66	.91	Castle Trethewey	2,712	1.00	1.05	.95	.95
1	.65	.25	Cent. Cadillac ...	18,200	.35	.40	.34	.39
1	.31	.05	Cen. Manitoba...	10,400	.06	.06½	.05½	.05½
1	5.25	2.10	Cen. Patricia....	6,990	2.77	2.85	2.60	2.65
1	.43	.09	Cen. Porcupine...	30,700	.12	.17½	.11	.13
No	1.47	.60	Chromium.......	2,500	.75	.80	.75	.77
5	10.00	3.00	Coast Copper....	300	5.00	5.00	4.75	4.80
1	.03½	.01	Cobalt Contact ..	......	(.01½ bid	.01½ asked)		
5	3.50	2.00	Coniagas........	......	(2.45 bid	2.75 asked)		
No	2.14	1.00	Coniaurum......	1,227	1.40	1.42	1.35	1.35
1	2.70	.40	Con. Chibougamau	210,980	.49	.55	.44	.47
25	100.50	72.00	Cons. Smelters...	5,777	82.00	84.50	80.00	82.00
1	2.98	.31	Darkwater.......	14,250	.55	.56	.50	.50
No	51.12	38.25	Dome Mines.....	1,747	41.75	42.00	39.50	40.25
1	.15	.04	Dom. Explorers..	7,500	.06	.07	.06½	.06½
1	1.23	.38	Dorval Siscoe....	6,550	.50	.50	.45	.48
1	.15	.05½	Duparquet.......	21,050	.07	.09	.07	.09
1	2.05	.65	East Malartic....	15,850	1.17	1.20	1.10	1.14
1	3.65	2.10	Eldorado........	15,895	2.75	2.80	2.55	2.78
No	12.87	7.00	Falconbridge.....	1,423	7.50	8.00	7.30	7.50
1	.54	.07	Federal.........	25,100	.10½	.11	.08½	.08½
No	1.59	.50	Francoeur Gold..	13,400	.73	.75	.65	.67
1	.30	.03½	Glenora.........	9,000	.04½	.04½	.04½	.04½
1	.65	.28	Gillies Lake.....	140,500	.37	.42	.33	.36½
No	1.02	.40	God's Lake......	7,150	.63	.63	.55	.61
1	.30	.06	Golconda........	500	.09½	.08	.08	.08
1	.40	.18	Goldale.........	1,200	.22½	.23	.21	.22
50c.	.30	.12	Gold Belt.......	1,000	.23	.28	.28	.28
1	.68	.30	Gold Eagle......	2,800	.36	.38½	.30	.38
1	.22	.07½	Goodfish........	57,100	.13½	.14½	.12	.12
1	.63	.09	Graham Bousquet.	9,700	.15	.13	.11	.12
1	.57	.15	Granada Gold....	17,050	.19½	.19½	.15½	.16
No	.18	.06½	Grandora........	100	.07½	.06½	.06½	.06½
1	.18½	.10	Grull Wihksne...	......	(.10 July 20)			
1	1.25	.55	Gunnar Gold.....	14,060	.90	.95	.88	.88
1	.07	.02	Halcrow Swayze .	4,000	.03	.03	.03	.03
1	3.44	1.00	Hard Rock.......	8,020	1.33	1.37	1.30	1.30
1	.35	.12½	Harker..........	50,350	.15½	.19	.15½	.16½
5	15.50	10.75	Hollinger........	1,864	12.25	12.25	12.00	12.00
1	.72	.30	Howey Gold......	12,740	.40	.39	.35	.35
No	41.75	25.63	Hudson Bay......	2,660	31.75	33.00	30.50	31.00
1	10.25	11.00	Inter. Mining....	100	11.12	11.00	11.00	11.00
No	73.25	54.00	Int. Nickel......	17,180	64.00	64.75	61.00	62.25
1	.54	.25	Jacola...........	181,150	.35	.51	.35	.44
1	1.61	.50	Jackwaite........	1,450	.72	.73	.70	.71
1	2.15	.70	Jellicoe.........	17,475	1.10	1.12	1.03	1.12
1	.59	.17	J. M. Cons. Gold.	70,290	.25	.32	.24½	.30
1	3.30	1.99	Kerr Addison....	21,900	2.45	2.47	2.25	2.35
1	.65	.35	Kerr Lake.......	455	.35	.40	.35	.40
1	.55	.20	Kirk. Gold Rand.	......	(.25 bid	.35 asked)		
1	2.65	1.35	Kirk. Hud. Bay..	400	1.60	1.68	1.50	1.50
1	1.70	.90	Kirkland Lake...	17,745	1.31	1.40	1.25	1.32
1	.55	.19	Kirk. Townsite...	3,800	.24	.23	.20	.23
1	1.10	.40	Laguna..........	1,000	.50	.60	.60	.60
1	59.50	46.50	Lake Shore......	4,422	51.00	51.37	50.50	51.00
1	.28	.04	Lamaque Contact	14,250	.05	.05	.04½	.04½
1	1.33	.55	Lapa Cadillac....	10,375	.70	.70	.66	.70
1	1.30	.73	Lava Cap........	20,400	1.21	1.25	1.20	1.21
1	.30	.11½	Lebel Oro.......	31,533	.20	.20	.17½	.18½
1	.07½	.02½	Lee Gold........	3,700	.03	.03	.02½	.02½
1	1.35	.45	Leitch Gold......	10,200	.63	.67	.61	.64
No	8.40	4.85	Little Long Lac..	1,450	5.25	5.50	5.25	5.50
1	8.60	4.15	Macassa.........	4,240	6.85	6.00	5.60	5.70
1	1.26	.55	Madsen Red Lake	16,600	.75	.75	.69	.70
1	.04½	.01½	Malrobic........	9,500	.01½	.02½	.02	.02
No	.69	.20	Mandy..........	1,600	.31	.35	.30	.35
No	.16	.02	Man. & Eastern..	13,100	.03	.03½	.03	.03½
1	.30	.11	Maralgo.........	12,877	.14	.15	.14	.15
5	42.25	32.75	McIntyre........	1,050	36.25	36.50	35.00	35.00
1	2.03	1.00	McKenzie R. L...	9,225	1.25	1.34	1.24	1.31
1	.65	.40	McKinley........	18	.40	.40	.40	.40
No	4.85	1.65	McLeod Cockshutt	5,890	1.98	1.98	1.80	1.92
No	1.21	.55	McWatters.......	10,500	.55	.55	.46	.48
1	.57	.17	McVittie.........	21,750	.28	.30½	.26	.26
No	5.00	2.70	Mining Corp.....	2,565	3.35	3.05	3.35	3.40
No	.33½	.08	Minto Mines.....	2,250	.09	.10½	.09½	.10
1	.08	.02	Moffatt Hall.....	500	.03	.03	.03	.03
1	.88	.20	Morris Kirk......	10,700	.26	.20	.21	.20
1	1.97	.95	Moneta..........	23,170	1.80	1.82	1.65	1.75
1	.45	.10	Montague.......	......	(.14 bid	.18 asked)		
1	.10	.02½	Murphy..........	46,700	.03½	.04½	.03½	.04
1	1.05	.30	Naybob.........	5,300	.38	.38½	.36	.36
No	.12	.01½	Newbec.........	6,500	.05½	.05	.04½	.04½
1	1.49	.45	New Golden Rose	8,315	.55	.59	.55	.55½
1	.05	.01½	Night Hawk Penn.	3,500	.02	.02	.02	.02
5	3.60	2.25	Nipissing........	600	2.33	2.32	2.30	2.30
No	83.00	54.50	Noranda.........	7,447	63.50	64.12	59.50	62.00
No	.95	.64	Nor. Canada.....	1,800	.73	.72	.68	.72
1	.06½	.02	Norgold.........	2,500	.03½	.03½	.03½	.03½
1	2.23	1.20	Normetal Mining	8,510	1.82	1.95	1.75	1.83
1	13.25	5.45	O'Brien..........	15,055	5.80	5.95	5.45	5.65
1	1.23	.40	Omega..........	10,315	.56	.57	.54	.55
1	2.20	.85	Oro Plato........	10,500	1.85	1.90	1.70	1.70
1	.30	.10	Osisko..........	......	(.... bid	.19 asked)		

Par Val.	Range 1937 High	Low	Company	Sales	Close Aug. 23 (or last)	High for week	Low for week	Close Aug. 30
No	4.05	1.90	Pamour.........	8,000	2.90	2.90	2.70	2.75
1	1.10	.30	Pandora.........	3,400	.54	.50	.49	.50
1	.42	.15	Parkhill.........	11,383	.18	.20	.17	.17
1	3.80	1.90	Pato Cons. G....	1,000	2.50	2.40	2.15	2.15
1	.41	.11	Partanen Gold...	6,800	.17½	.18	.16	.16½
1	.06	.01½	Pawnee Kirk.....	......	(.02½ bid	.02½ asked)		
1	.46	.12	Paulore.........	4,800	.20	.21	.16½	.16½
1	1.38	.49	Paymaster.......	18,450	.62	.63	.56	.57
1	.35	.22	Payore..........	23,800	.31	.30	.27	.28
1	6.60	2.55	Pend Oreille.....	19,145	4.00	4.60	4.10	4.45
1	2.51	.70	Perron Gold.....	4,050	1.05	1.10	1.00	1.02
1	.03½	.01½	Peterson Cobalt..	2,500	.01½	.01½	.01½	.01½
1	9.20	4.90	Pickle Crow.....	9,165	5.60	5.75	5.45	5.60
1	6.85	3.65	Pioneer Gold B.C.	1,735	4.00	4.20	4.05	4.20
1	17.50	15.00	Placer Development	103	17.00	17.00	17.00	17.00
1	.11	.03	Porcupine Crown.	4,000	.03½	.04	.03	.03½
1	2.20	.75	Powell Rouyn....	15,300	1.48	1.50	1.35	1.45
1	4.00	1.95	Premier Gold....	4,200	2.25	2.27	2.10	2.11
1	1.47	.55	Preston E. Dome.	130,340	1.23	1.25	1.10	1.17
No	1.75	1.10	Prospectors Air's.	1,000	2.00	1.70	1.50	1.50
1	.88	.30	Quebec Gold.....	600	.41	.43	.42	.42
No	.48	.07	Quemont........	5,500	.13	.12	.10	.12
1	6.85	2.80	Read Authier....	1,065	3.75	4.05	3.30	3.75
1	1.78	.29	Red Lake........	48,900	.35	.37	.32	.33½
1	2.00	.40	Red Crest.......	2,700	.56	.55	.40	.45
1	1.35	.72	Reno Gold.......	6,850	.90	.96	.86	.86
1	1.52	.70	Reeves McDonald	......	(.86 bid	.92 asked)		
1	.22	.06	Reward.........	6,000	.08½	.10	.08½	.08½
1	.16	.04	Ritchie..........	5,100	.04	.05	.04	.04
1	.12½	.02½	Robb Montbray .	25,000	.03½	.03½	.02½	.03
1	.48½	.09	Roche Long Lac .	22,200	.15	.16	.15	.15
1	2.40	1.25	San Antonio.	4,723	1.60	1.63	1.50	1.55
1	1.13	.35	Shawkey........	7,700	.60	.65	.55	.60
50c.	.92	.57	Sheep Creek.....	1,800	.90	.92	.90	.92
1	4.00	1.80	Sherritt Gordon..	21,904	2.80	2.95	2.55	2.74
1	6.65	3.05	Siscoe..........	8,717	3.80	3.90	3.70	3.75
1	2.50	.76	Sladen Malartic..	10,600	1.07	1.18	1.03	1.08
1	2.50	.48	Slave Lake......	9,100	.52	.52	.48	.50
No	2.90	.90	Stadacona.......	66,323	1.30	1.38	1.19	1.25
1	.33	.12	St. Anthony.....	22,850	.17	.18	.16	.18
No	6.90	3.00	Sudbury Basin...	1,025	4.50	4.50	4.30	4.50
1	.40½	.15	Sudbury Contact.	4,000	.20	.23	.18½	.18½
1	2.25	1.00	Sullivan Cons....	8,200	1.30	1.44	1.30	1.34
1	4.80	2.70	Sylvanite........	8,005	3.20	3.30	3.00	3.10
1	.20	.06	Tashota.........	27,800	.06½	.07	.06½	.06½
1	6.10	4.55	Teck Hughes....	6,040	5.20	5.35	5.25	5.30
1	2.15	.47	Thomp Cadillac..	15,250	.52	.52	.50	.50½
1	.65	.20	Temiskaming.....	30,200	.40	.41½	.38	.38
1	4.60	1.85	Toburn Gold.....	2,040	2.50	2.50	2.35	2.35
1	2.00	.73	Towagmac.......	4,250	1.18	1.20	1.05	1.07
1	2.60	.40	Treadwell.......	......	(.80 bid	.85 asked)		
1	1.10	.50	Uchi Gold.......	38,475	1.00	1.06	.94	1.00
No	9.10	6.00	Ventures........	1,025	8.25	8.00	7.50	7.90
No	4.65	2.10	Waite Amulet....	5,774	3.70	3.80	3.35	3.60
No	.05	.01½	White Eagle.....	1,500	.02	.02½	.01½	.01½
1	.30	.10	Whitewater......	4,400	.14	.15½	.14	.14
1	.17	.03½	Wiltsey Coghlan	1,000	.05	.04½	.04	.04
1	.77	.30	Wood Cadillac...	12,300	.36	.38	.33	.34
No	8.20	5.85	Wright-Hargreaves	8,555	6.70	6.75	6.55	6.65
No	.53	.24	Ymir Girl.......	48,500	.27	.35	.27	.27

OIL STOCKS

Par Val.	Range 1937 High	Low	Company	Sales	Close Aug. 23 (or last)	High for week	Low for week	Close Aug. 30
No	.22	.10	Acme Gas & Oil..	5,000	.14	.14	.13½	.14
1	.95	.29	Alta. Pac. Cons..	130	.30	.32	.31	.32
1	.57	.25	Ajax...........	2,800	.30	.30	.28	.30
1	1.10	.20	Br. Dominion....	......	(.20 bid	.30 asked)		
1	.65	.37	Brown Oil.......	7,800	.44	.45	.37	.42
No	6.55	2.00	Calgary & Ed....	10,505	2.55	2.60	2.45	2.50
1	1.75	.40	Calmont........	5,400	.57	.57	.51	.52
No	.05	.24	Common Pete....	50	.35	.35	.35	.35
No	3.60	.55	Dalhousie.......	7,085	.85	.85	.75	.75
No	.40	.33	Davies Pete.....	25,800	.35	.40	.39	.37
No	.75	.10	Eastcrest.......	5,600	.13½	.14	.13	.13
25c	.25½	.18	Firestone Pete...	800	.18	.18	.18	.18
No	3.25	.90	Foothills........	1,150	1.03	1.10	1.01	1.01
No	1.20	.20½	Foundation Pete.	4,550	.29	.29	.25	.26
No	.36	.16	Hargal.........	......	(.17 bid	.25 asked)		
No	.90	.15	High Sarcee.....	4,100	.20	.22	.18	.18
No	4.10	1.35	Home..........	6,050	1.85	1.90	1.81	1.80
1	.67	.31	Homestead O.&G.	4,600	.50	.52	.50	.52
No	.70	.35	Hunter Valley...	......	(.15 bid	.30 asked)		
No	.16	.05	Do. warrants...	1,000	.15	.05	.05	.05
No	.60	.20	Lowery.........	......	(... bid	.25 asked)		
No	.63	.25	Mercury........	1,050	.30	.32½	.31	.31
No	.44	.18	McD. Segur Ex...	4,400	.24	.24	.23	.23
No	.38	.10	Merland........	5,700	.11	.11	.10	.10
1	1.15	.38	Model..........	500	.51	.53	.53	.53
25c	.60	.32	Monarch Royal..	6,750	.35½	.37	.32	.35½
5	.40	.15	Nordon.........	18,200	.21	.23	.21	.22½
No	.12	.04	Oil Selections...	2,800	.04½	.04½	.04	.04½
No	4.10	1.05	Okalta.........	4,200	1.63	1.65	1.50	1.60
No	.12	.03	Olga Gas & Oil..	1,000	.03½	.03½	.03½	.03½
1	.43½	.10	Pacalta.........	61,000	.20	.23	.19	.20½
1	.70	.60	Petrol Oil & Gas.	......	(.55 bid	.65 asked)		
25c	.30	.22	Prairie Royalties.	1,000	.24	.24	.23	.24
No	60.00	34.50	Royalite........	1,173	43.00	43.50	39.75	39.75
No	2.00	.40	South West Pete.	75	.60	.40	.40	.40
No	.19	.15	South End......	4,500	.15	.15	.15	.15
1	.65	.22	Spooner Oil.....	......	(.22 Aug. 23)			
No	2.35	1.50	Texas Can......	2,250	1.80	1.75	1.70	1.73
No	.70	.17	United Oil......	11,500	.21	.22	.20	.20
1	2.25	1.00	Vulcan.........	300	1.55	1.55	1.50	1.50

VANCOUVER STOCK EXCHANGE

Par Val.	Range 1937 High	Low	Company	Sales	Close Aug. 23 (or last)	High for week	Low for week	Close Aug. 30
50c	.15	.08	Aztec..........	5,600	.10	.10	.08½	.08½
20c	.04	.01	Beaver Silver....	1,000	.01½	.01½	.01½	.01½
1	.70	.42	Big Missouri.....	11,000	.53½	.53	.51	.51
25c	.07½	.01½	Bluebird........	7,000	.02	.02	.02	.02
No	9.00	6.10	Bralorne........	3,505	7.50	8.15	7.65	7.90
1	.07½	.02	Bridge River Cons.	......	(.02½ bid	.02½ asked)		
50c	.19	.05	B.R.Mountain Gold	......	(.05 Aug. 12)			
1	.40	.16	B.C. Nickel......	6,400	.16½	.17	.16½	.16½
1	3.35	1.75	B.C. Silver......	100	1.95	2.00	2.00	2.00
50c	.04½	.02	Canadian Rand..	......	(.02 July 20)			
1	1.79	1.43	Cariboo Gold....	800	1.60	1.65	1.60	1.60
1	.14	.02½	Congress Gold...	17,500	.03½	.04½	.03½	.04
25c	.05	.01	Cork Province...	3,000	.01½	.01½	.01	.01
No	.28	.13	Dentonia.......	28,465	.15	.19	.15	.19
1	.05	.02	Dunwell........	......	(.02½ bid	.02½ asked)		
No	.18	.05	Fairview Amal...	5,800	.06½	.07	.06½	.07
1	.06½	.02	Federal Gold....	10,500	.02½	.03	.02½	.02½
1	1.43	.38	George Copper...	300	.70	.50	.50	.50
50c	.06½	.02½	George Enterprise.	......	(... bid	.03½ asked)		
1	.05	.01½	Georgia River....	......	(.01½ bid	.02 asked)		
1	.20	.05	Golconda........	2,500	.08½	.08½	.08	.08
50c	.37	.11½	Gold Belt.......	7,700	.25	.28	.26	.28
50c	.43	.02	Gold Mountain...	20,750	.02½	.03	.02	.02½
50c	.30	.11½	Grandview.......	25,050	.19½	.21½	.19½	.20
1	.18½	.07	Grull Wihksne...	4,000	.07½	.08½	.07½	.08½
No	.05	.00½	Haida Gold......	......	(.01 June 23)			
No	.13	.02	Hedley Sterling..	......	(... bid	.02 asked)		
No	.04½	.01½	Home Gold......	10,000	.02½	.02½	.02½	.02½
1	.08	.02	Indian Mines....	6,000	.02½	.02	.02	.02
50c	1.18	.55	Island Mountain.	1,200	.65	.65	.65	.65
1	.24	.21	Inter'l Coal.....	11,000	.22	.23	.21	.23
1	.06½	.03	Inter'l Gold.....	......	(... bid	.02½ asked)		
50c	1.15	.71	Kootenay Belle...	4,350	.99	1.00	1.02	1.03
20c	.07	.01½	Koot. Florence...	22,750	.02½	.03	.02	.02½
1	.03½	.00½	Lakeview........	4,000	.01½	.01½	.01½	.01½
10c	.19½	.04½	Lucky Jim.......	30,500	.06½	.07½	.06½	.07
No	.07½	.02	Mak Siccar......	......	(.02½ Aug. 16)			
1	.19½	.18	McGillivray Creek	......	(.19½ bid	... asked)		
50c	.06½	.01	Meridian Min....	......	(.01½ bid	.02 asked)		
25c	.17	.02½	Metaline........	......	(.02½ July 13)			
No	.38	.08½	Minto Mines.....	91,000	.08½	.11½	.08½	.10½
50c	.15½	.04	Nicola..........	32,800	.06	.06	.05	.05
50c	.17	.05	Noble Five......	12,975	.06½	.07	.05½	.06½
1	6.75	2.55	Pend Oreille.....	2,710	4.15	4.80	4.20	4.40
No	.07½	.02½	Pilot Gold.......	6,500	.03	.03½	.02½	.02½
1	6.75	3.70	Pioneer Gold....	2,225	4.00	4.20	4.00	4.00
50c	.15	.04½	Porter Idaho.....	......	(.05 bid	.07 asked)		
No	.06½	.01½	Premier Border...	24,000	.02½	.02½	.02	.02½
1	4.80	1.95	Premier Gold....	4,080	2.25	2.26	2.12	2.15
1	.15	.03	Quatsino Copper.	4,000	.05	.05	.04½	.04½
25c	.17	.07	Quesnelle Quartz.	1,250	.09	.10	.09	.09
1	.06½	.01½	Reliance........	16,000	.02½	.02½	.02½	.02½
1	.37	.12	Relief Arlington.	1,100	.22½	.25	.22½	.22½
No	1.90	.62	Reeves McDonald	2,400	.85	.92	.87	.87
1	1.31	.75	Reno Gold.......	4,100	.90	.88	.85	.86
1	.20½	.06	Reward Mining...	10,100	.09	.09	.08½	.08½
1	.09½	.02½	Rufus Argenta...	11,000	.03	.03½	.03	.03
1	.11½	.03½	Ruth Hope......	......	(.03½ bid	.04 asked)		
1	.12	.04	Sally Mines.....	......	(.05 bid	... asked)		
50c	.15	.07½	Salmon Gold.....	2,000	.08	.08½	.08½	.08½
50c	.95	.58	Sheep Creek.....	5,700	.92	.95	.93	.93
1	3.20	2.50	Silbak Premier...	......	(1.75 bid	2.00 asked)		
25c	.14½	.04	Silvercrest......	2,500	.05	.05	.04	.04
20c	.10	.01	Silversmith.....	9,500	.03½	.03½	.03	.03
1	.63	.40	Standard Silver..	100	.42	.37½	.37½	.37½
1	.75	.20	Sunloch........	500	.25	.22	.22	.22
10c	21.00	19.75	Sunshine.......	......	(19.75 Apr. 5)			
No	.13	.04½	Taylor Bridge....	500	.04½	.04½	.04½	.04½
No	1.05	.30	Vidette Gold.....	1,200	.37	.36	.35	.36
No	.06½	.00½	Viking Gold......	19,000	.01½	.01½	.01	.01
50c	.03	.00½	Waverley Tangier	15,500	.00½	.01	.00½	.00½
20c	.13½	.02½	Wellington......	9,000	.04	.04	.04	.04
50c	.50	.15	Wesko.........	1,933	.17	.16	.16	.16
1	.42	.10	Whitewater.....	7,900	.14½	.15½	.14	.14
No	.50	.21½	Ymir Yankee Girl.	7,000	.27	.30	.27	.27

OIL STOCKS

Par Val.	Range 1937 High	Low	Company	Sales	Close Aug. 23 (or last)	High for week	Low for week	Close Aug. 30
1	1.09	.26	Alta. Pac. Cons...	3,908	.32	.33	.31½	.31½
1	.14½	.05½	Amalgamated....	58,100	.05½	.09	.05½	.08
No	.45	.07	Associated Oil...	......	(.12 bid	... asked)		
1	.64	.07½	Anaconda.......	1,000	.11	.11½	.11	.11
No	.24	.04½	Baltac..........	......	(.05½ bid	... asked)		
1	1.05	.15	Brit. Dominion...	100	.26	.25	.25	.25
1	.80	.26	Commonwealth..	800	.31	.34	.31	.31
No	6.50	2.15	Calgary & Ed....	3,725	2.51	2.60	2.47	2.50
1	1.84	.43	Calmont........	1,800	.55	.58	.52	.52
1	.13	.04½	Crow's Nest.....	24,400	.05	.08½	.05½	.08
No	3.55	.71	Dalhousie.......	100	.80	.80	.80	.80
No	.36	.36	Davies Pete.....	500	.....	.36	.36	.36
No	.24	.05	Devenish........	1,000	.05½	.06	.06	.06
No	.45	.13	Eastcrest.......	......	(.15½ July 24)			
No	.96	.23	Foundation Pete.	700	.28	.25	.25	.25
No	.44	.07	Freehold........	15,100	.07½	.07½	.07	.07
No	.40	.10	Hargal..........	200	.13½	.18½	.18½	.18½
No	.91	.14	High Sarcee.....	1,500	.20	.18½	.18½	.18½
No	4.10	1.50	Home Oil........	1,435	1.85	1.90	1.80	1.81
No	.88	.20	Lowery Pete.....	1,200	.21	.21	.21	.21
No	.35	.04½	Madison........	10,300	.08½	.08½	.08	.08
No	.50	.11½	Marjon Oil.......	2,900	.12	.12	.11½	.11½
No	.78	.18	McD. Segur Ex...	5,540	.24	.25	.23	.23
1	1.60	.38	McLeod.........	500	.38	.40	.38	.38
No	.88	.22	Mercury........	5,650	.31	.33	.30	.30
No	.39	.10	Merland........	200	.10	.10	.10	.10
No	.65	.16	Mill City Pete...	100	.24½	.20	.20	.20
No	.65	.08	Midwest Pete....	......	(.07 bid	... asked)		
1	1.15	.44	Model..........	4,900	.51	.55	.54	.54
25c	.52	.22	Monarch Royal..	18,500	.36	.36½	.33½	.33½
5	.48	.14	Nordon.........	3,000	.21	.23	.21	.21
No	4.60	.85	Okalta..........	2,150	1.60	1.63	1.60	1.61
No	.44	.11½	Pacalta Oil......	2,800	.20	.21	.21	.21
25c	.25	.24	Prairie Royalties..	300	.25	.24	.24	.24
1	1.50	.10	Ranchmen's.....	15,903	.15	.10	.10	.10
No	59.00	34.00	Royalite........	73	44.00	42.00	40.00	41.00
No	2.00	.45	Southwest Pete...	......	(... bid	.75 asked)		
1	.75	.19	Spooner.........	800	.25	.24	.24	.24
No	.72	.16½	United..........	4,010	.21	.21	.20½	.21
No	.38	.05	Vanalta.........	7,500	.08½	.03	.08	.08
1	3.05	.95	Vulcan..........	950	1.57	1.58	1.50	1.50

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

Aug. 31, 1937

Public Utility Issues:	Int. Rate %	Due	Bid Aug. 31	Asked	Bid Aug. 24
†Assoc. Tel. & T.	5½	'55	81	84	82
aAvalon Tel. ...	5½	'48	102	105	102
Beauharnois P.	5½	'73	62	65	62½
‡Bell Telephone.	5	'55	112½	115½	112½
‡Do.	5	'57	119	122	119
B. C. Power ..	4½	'60	99	102	99
B. C. Tele.	4½	'61	106	109	106
‡Calgary Power.	5	'60	94½	97½	95
‡Do.	5	'64	93½	96½	94½
†Can. Nor. Pwr.	5	'53	103½	106½	103
‡Dom. Gas & El.	6½	'45	83½	86½	84
‡Gatineau Pwr..	5	'56	103	106	102½
‡Do., A	6	'41	101	104	100½
‡Do., B	6	'41	101	104	100½
Gt. Lakes Pwr.	4½	'56	93½	96½	93½
‡Inter. Hydro-El.	6	'44	81	84	80½
‡Inter. Power ..	6	'57	98½	101½	98½
‡Do.	6½	'57	99½	102½	99½
aDo.	6	'55	101	104	101
†Macl'n-Que. Pr.	5½	'61	101	104	101
†Do.	5½	'64	100½	103½	100½
†Mtl. Island Pr.	5½	'57	104	107	104
†Mtl. L., H. & P.	3½	'56	99	102	99
†Mtl. Tramways	5	'41	101	104	100½
†Do.	5	'55	78	81	79
Nfld. L. & P. ..	4½	'58	98	101	98
N. S. L. & Pr. .	4	'57	98½	101½	98½
†Ot'wa L. H. & P.	5	'57	104	107	104
†Ottawa V. Pwr.	5½	'70	104½	107½	104½
†Power Corp. ..	4½	'59	99	102	99
Saguenay P., B.	4½	'66	102½	105½	102½
*Do., A	4½	'66	101	104	101
†Shaw. W. & Pr.	4	'61	98½	101½	98½
†Do.	4½	'70	103½	106½	103½
†United Secs. ..	5½	'52	76	80	78
†West. Pwr. Co.	5	'49	104	107	104
‡Wpg. Elec., A .	4	'65	74	77	74½
‡Do., B	4	'65	...	...	62½
Industrial and Realty Issues					
†Abitibi P. & P.	5	'53	96	99	96½
Acadia Sugar .	4½	'55	100½	103½	100½
B. A. Oil	4	'45	102	105	102
Canada Bread .	6½	'47	108	111	107½
†Canada Cement	4½	'51	102½	105½	103
†Canada Paper .	4½	'52	98	101	97½
Can. Steamship	5	'57	80	83	78
Can. Canners ..	4	'51	99	102	99½
Can. Bakeries .	6½	'45	100	...	100
‡Can. Inter. Pap.	6	'49	101	104	101
C. P. R. debs. .	4	Per.	95	98	95½
Do.	3½	'51	99	102	99
Do.	4	'49	101	104	101
Do.	4½	'44	94	97	94½
†Can. Vickers ..	6	'47	96½	99½	96
†Consol. Paper .	5½	'61	94	97	94½
aDom. Stl. & C.	6½	'55	104½	107½	106
Dom. Tar	4½	'51	100½	103½	100
Dom. Textile ..	4½	'56	105½	108½	105½
†Donnacona P. .	4½	'56	87	90	87
†Famous Players	4½	'51	97	100	97
†Fraser Cos. ...	6	'50	104	107	103½
†Gen. Steel W. .	4½	'52	96½	99½	96½
Great Lakes P. .	5	'55	97½	100½	98
†Gypsum, Lime.	5½	'48	101½	104½	101½
†Gr. Br. & Can. Invest.	4½	'59	86	89	86
Hamilton Cot. .	5½	'48	103	...	103
Ham. By-Prod. Coke	5	'50	99½	102½	99½
†Inter. Paper ..	6	'55	97	100	96½
†Inter. P. & P. Nfld.	5	'68	102	105	102
Inter City Bak.	5½	'48	103	106	103
†Kingston Elev..	6	'50	95½	98½	95½
Lake St. John P. & P.	5½	'61	100½	103½	101
Do.	5	'61	83½	86½	84
†Lond. Can. Inv.	4½	'48	95	98	95
†Massey-Harris .	5	'47	97	100	97
†McColl-Front. .	6	'49	103	106	103
†Mersey Paper .	6	'49	100½	103½	100½
†M. & O. Paper	6	'45	75½	78½	75
Nat'l Grocers .	4	'47	100½	...	100½
Nor. Ont. Bldg.	6½	'39	97	100	97½
†Price Bros.	5	'57	100½	103½	101
‡Prov. Paper ...	5½	'47	101½	104½	101½
Queen's Hotel .	6	'47	98	101	98
†Restigouche C.	6	'48	113½	116½	110
†Rolland Paper.	6½	'51	103	106	103
Ruddy & Co. ..	6½	'46	98	101	98
†Simpsons Ltd. .	4½	'51	97	100	97
†Smith, Howard	4½	'51	103	106	104
†Steel of Canada	6	'40	109½	112½	109½
Sterling Coal ..	6	'40	94½	97½	94½
*Twin City	5½	'52	76	79	75½
United Amuse.	5	'56	99	102	99
United Corp. ..	5	'53	95½	98½	95
Union Gas	4½	'50	100	103	100
aWabasso Cot. .	4½	'51	97	100	98
Windsor Hotel .	6½	'43	82	...	82
Do.	6	'47	40	43	40½

‡Payable in Can. or U. S. †Payable in Can., U. S. or U. K. aPayable in Can. or U. K. *Payable in U. S. only.

Winnipeg Stocks

(Transactions from Aug. 23 to Aug. 28)

	Sales	High for period	Low for period	Close Aug. 28
Cryderman	1,000	.01	.01	.01
Dickstone Copper	700	.11½	.08	.08
Dom Envelope .	20	1.50	1.50	1.50
Do. pref.	20	96.00	96.00	96.00
Flin Flon	14,940	.08½	.05	.05
Gt. Falls M. & S.	3,500	.05	.04	.04
Gurney	2,550	.40	.40	.40
Gold Lake	1,000	.02½	.02½	.02½
Island Lake	500	.02	.02	.02
Marvel Oils	6,000	.05½	.05	.05
Monarch Gold .	150	.90	.90	.90
Star Lake	1,000	.01½	.01½	.01½
Oro Grande	2,200	.02½	.02	.02
Packsack	1,500	.09½	.09½	.09½
Sachigo River .	103	18.75	17.00	17.00
United Grain ..	4	6.00	6.00	6.00
West. Grain, pf.	10	5.00	5.00	5.00
West. Brew. ...	82	1.25	1.25	1.25
Wings, Ltd.	100	1.15	1.15	1.15
Wingold	3,500	.03	.03	.03
Wylie Dom.	5,700	.33	.30	.32
Wpg. R. Tin ..	25,500	.02½	.02	.02
Wallace Lake .	3,000	.01	.01	.01
Wendigo	200	.25	.25	.25
Williamson M. .	300	.08	.08	.08

Stocks Not Traded in During Week*

	Bid	Asked
Beaver Fire Insurance	..	100
Can. Indemnity	125	..
Federal Grain, com.	..	4
Federal Grain, pref.	21½	..
Home Investment	22	25
Northern Can. Mtge., pf. ...	5	..
North. Mtge., par paid	..	3
Northern Trust	6½	..
Traders Bldg.	86½	..
West. Steel, pf.	12	14

*Stocks more active on other exchanges not included.

Stock Sales

	Montreal Markets Indust.	Mines	Toronto Markets Ind. & Mines
Aug. 31	16,700	29,700	306,000
Aug. 30	25,000	41,600	272,000
Aug. 28	13,700	31,100	164,000
Aug. 27	26,300	65,300	430,000
Aug. 26	27,800	52,500	476,000
Aug. 25	31,500	60,100	623,000

Municipal Bonds

August 30, 1937

	Rate	Due	Bid	Ask.	Yld.
†Halifax ...	5	1961	110.50	112.00	4.30
Hamilton .	5	1960	113.50	115.50	3.90
Montreal ..	5	1949	105.00	106.50	4.30
Ottawa ...	4½	1948	108.50	110.00	3.60
†Quebec ...	5	1959	103.00	105.00	4.60
Saint John	5	1960	106.50	108.00	4.50
†Toronto ...	4½	1955	111.50	113.50	3.47
†Vancouver.	5	1950	91.00	95.00	5.50
Winnipeg .	5	1944	98.00	102.00	4.64

†Payable Can. and N. Y.

Municipal Bonds

Week ended Aug. 30

	Int. rate	Due	High	Low	Range 1937 High	Low
Mtl. L. H. & P. Debs.	3	'39	80½	..	80¾	80½

Unlisted Mines

Aug. 31, 1937

	Bid	Ask.
Albany River ..	.54	.56
Algold	.37	.38
Altura	.10½	.13
Amm Gold	.22	.24
Armistice	..	.13
Arno	.02¾	.03½
Athona	.16½	.18
Area	.04	.04¾
Augite	.17	.19
Bailor	.02½	.03
Barb Lar.	.13	.14
Bathurst New .	.01½	.02
Big Master	.07	.08
Bilmac	.11	.13
Baldwin	.01¾	.02½
Bear	.30	.32
Cuniptau	.05¾	.06½
Calder Bous. ..	..	.05½
Callinan Fl. Fl.	.03	.03¾
Can. Pan.	.10	.11
Can. Kirkland .	.01½	.02
Candalaca	..	.35
Casey Contact .	.01	.01½
Chester	1.30	1.45
Coin Lake	.06	.08
Condor Old	.03¾	.04½
Continent. Kirk.	.24	.25
Cooke Lake ...	.29	.32
Coulson	.07	.08
Cres. Kirk. ...	.04	.06
Dawson	.10½	.11½
Denison	.38	.41
Desantis New .	..	.32
Doreva	.18	.20
Delcsha	.17	.19
Dunlop New ..	.07	.08
El Bona	.10	.12
Electra Porc. .	.07	.08½
Eva Lake	.07½	.08½
Elmos	.08	.10
Faulkenham ..	.35	.39
Fernland	.20	.22
Fleming	.16½	.18
Franklin	.01½	.01¾
Frontier	.09	.10
Galatea	.01½	.02½
Garnet	.02½	.03
Gateway Pat. .	.05	.06
Gilbec	.02	.02½
Gold Range ...	.03	.03½
Goldside	.03	.03¾
Golden Gate ..	.53	.55
Gordon Lebel .	.07½	.08½
Gull Kirkland .	.02½	.02¾
Hudson Patricia	.03	.03¾
Hislop	.05½	.06½
Horseshoe	.01½	.02
Hutch. Lake ..	.16½	.17½
Hugh Pam. ...	.07	.08
John Nip.	.03½	.04
Kaw Crow	.04	.06
Kenecho	.12	.12½
Kenricia	.32	.37
Kewag'a	.41	.44
King Kirk. ...	.02½	.02¾
Kirk-Vit.	.11	.12
Kirk. Hun. ...	.02½	.02¾
L. Rowan	..	.33
Lafayette	.02½	.02¾
L. Geneva	.62	.65
Lamaque	7.00	7.30
Lardego	.04¾	.05¾
Magnet L.	.06½	.07½
Magnet C.	.19	.20
Malartic	.27	.31
Mart. Mc.	.05	.06
Mart. Bird	.54	.53
Margaret	.31	.33
Maritime	.17	.19
Mata Cn.	.13	.15
Moffatt New ..	.05½	.07
McFarlane	.10½	.11
McCar'y	.24	.26
McV. Kirk. ...	.03¾	.04¾
Monarch	.07	.08
Mooshla	.13½	.15
Mosher	.21	.22
Norlake	.07½	.09
North Sh.	.03	.03½
Oklend	.15½	.17
O'Leary	.08	.09
Old Diamond .	.04¾	.05
Opem. Cop. ...	.09½	.11
Oriole	.06½	.07
Ossian	.01½	.01¾
Pascalis	.28	.31
Porc. McNabb .	.04	.04½
Porc. Un.	.06	.08
Plains P.	3.00	3.40
Porc. G. R. ...	.01	.01½
Potterd'l	.01¾	.02½
Porc. Tri.	.09	.11
Pontiac	.14½	.15
Pelangio	.11	.12
Propri'y	1.85	1.90
Que. Man.	.62	.64
Rajah	..	.06
Richmac	..	.25
Ribago New ...	.17	.18
Do., Old	.04	.06
Roeanor	..	.10
Rouyn R.	.03½	.04½
Rubec	.02¾	.03½
Sand River ...	.23	.26
Shenango	.15	.15½
Skookum	.06½	.06¾
Siscoe Ex.	.25	.27
Smelter	.02¾	.03
Spooner	.12	.15
Sturg. River ..	.23	.26
Springer	.10	.12
Straw Lake ...	.11	.12
Sun Bear	.18	.20
Tonawanda ...	.03½	.04
Tripple Lake ..	.34	.36
Upper Can. ...	.25	.27
Wascana	.12	.14
Williamson	.09½	.10½
Wesley	.13½	.14½
Westside	.05½	.06½
West R. L. ...	.03¾	.04½
White H.	.16	.17
Wendigo	.25	.27
Winoga	.06½	.07½
Woco	.25	.27
Young D.	.19	.21
Ypres C.	.14	.15

Unlisted Stocks

(Furnished by A. J. Pattison Jr. & Co., Toronto)

Aug. 31, 1937

Industrial Stocks:	Bid	Asked
Acadia Sugar, pfd.	4.00	4.50
Acme Farmers Dairy, pfd. .	44.00	46.00
Algoma Steel	16.00	17.00
Do., pfd.	82.00	84.00
Andian Nat. Corp.	53.50	54.00
Brandram-Henderson, com.	3.75	5.00
Do., pfd.	20.00	....
B. C. Pulp & Paper, com. ..	47.00	49.00
Do., pfd.	104.00	....
Burns & Co., A	10.00	....
Do., B	4.75	....
Can. Wire & Cable, pfd. ...	113.00	116.00
Can. Airways	4.50	6.00
Can. Industries, A com. ...	234.00	....
Do., B com.	233.00	237.00
Do., pfd.	157.00	160.00
Can. Ingersoll Rand	128.00	131.50
Can. Tube & Steel, com. ..	12.50	14.00
Do., 1st pfd.	93.00	....
Do., 2nd pfd.	23.00	25.00
Chase, A. W., pfd. bonus ..	27.00	....
Conduits Nat., com.	5.50	6.25
Crescent Creamery, pfd. ...	35.00	37.00
Dom. Found. & Steel, pfd. .	98.00	100.50
Dominion Woollens, com. ..	.80	1.25
Do., pfd.	3.50	4.50
Dunlop Tire, pfd.	91.00	94.00
Federal Grain, com.	....	2.50
Do., pfd.	31.00	35.00
Frost Steel & Wire, A pfd. .	45.00	....
Goderich Elevator	4.50	5.25
Greening Wire, pfd.	110.50	....
Guelph Carpet, pfd.	105.00	107.00
Do., com.	25.50	26.50
Hayes Steel Prod., com. ...	10.75	12.00
Do., pfd.	8.00	9.00
Highland Dairy, pfd.	80.00	83.00
Loblaw's Inc. (U.S.) Units .	80.00	....
McCormick's, com.	4.50	5.50
Do., pfd.	17.50	....
Morrison Brass, pfd. bonus .	11.00	13.00
Mount Royal Hotel, pfd. ..	4.25	5.00
New Meth. Laund., pf. bon.	93.00	96.00
Paterson, Wm., pfd.	100.50	....
Perfection Pete., pfd.	21.00	23.00
Provincial Paper, pfd.	107.50	108.50
Quebec Pulp & Paper, pfd. .	31.00	33.00
Reliance Grain, pfd.	....	83.00
Rob. Consol. Cone	10.50	11.50
Ruddy, E. L., pfd.	80.00	85.00
Seal O Sac (Can.)	....	13.00
Standard Fuel, com.	4.00	6.00
Do., pfd.	....	98.00
Supertest Pet., B pfd.	26.00	28.00
Toronto Carpet, com.	54.00	58.00
Do., pfd.	50.00	....
United Steel, A pfd.	19.50	20.75
Western Grain, pfd. bonus	5.00	6.00
Weston (Geo.) Foods (Eng.)	2.50	3.25
Wings Limited	.95	1.10
Zellers Ltd., pfd.	81.00	....
Trusts & Loan Stocks:		
Chartered Trust	99.00	101.00
Commercial Finance, com..	2.50	3.00
Guelph Ont. Inv., par $50 .	49.00	52.00
London & Western Trust ..	50.00	55.00
Prudential Trust	6.50	....
Sterling Trust	41.50	....
Traders Fin., A com.	18.00	19.00
Do., Inc. rights	11.50	14.00
Do., B pfd. bonus	95.00	98.50
Trusts & Guarantee	28.50	31.00
Insurance Stocks:		
Canada Life	535.00	545.00
Canadian Ins. Shares	18.50	....
Confederation Life, 20% pd.	115.00	118.00
Dominion Fire	135.00	....
Dom. & Can. Gen.	124.00	135.00
Empire Life, 25% pd.	12.25	13.50
Federal Fire, 25% pd.	40.00	....
Great West Life	330.00	340.00
Guar. of N.A., fully pd. ...	325.00	340.00
Do., 20% pd.	61.00	....
Imperial Life	263.00	270.00
Manufacturers Life	275.00	295.00
Monarch Life, 10% pd. ...	25.00	27.00
Sovereign Life, 25% pd. ...	15.00	17.00
Sun Life	695.00	720.00
Western Assce., com.	50.00	55.00
Do., pfd.	40.00	46.00
Theatre Stocks:		
Allens, Kingston, pfd.	66.00	....
Do., St. Catharines, pfd. .	61.00	....
Do., Tor., pfd. bonus com.	29.00	37.00
Loew's London, pfd.	2.00	3.00
Mansfield Theatre, pfd.	30.00	34.00
Paramount Kitchener, pfd..	57.00	62.00
Do., Oshawa, pfd.	60.00	63.00
United Amusement, A, V.T.	18.00	20.00
Do., B	21.00	23.00
Investment Trust Shares:		
Can. Gen. Invest.	9.90	10.25
Can. Invest. Fund	4.50	4.85
Can. Investors	6.50	6.25
Cons. Div. Std. Sec., com. ..	.25	....
Do., pfd.	21.50	....
Invest. Found., pfd. bonus .	57.00	60.00
Lon. Can. Invest., com.	4.50	5.25
Sec's Hold., pfd. bonus	20.00	22.50
United Corpns., A	23.75	25.00
Do., B	22.50	24.00
Power Issues:		
Calgary Power, pfd.	81.00	85.00
Can. West. Nat. Gas, com.	25.50	....
Do., pfd.	89.00	92.00
For. Power Secs., pfd.	8.50	10.25
Great Lakes Power, pfd. ...	99.50	....
Inter. Util., $1.75 pfd.	16.00	17.50
Do., $7 pfd.	93.00	....
Montreal Island Pwr., pfd. .	18.00	18.00
New Bruns. Tele., com.	13.00	14.25

Government Bonds

Dominion of Canada Bonds

Sept. 1, 1937	Bid	Asked	Approx. Yld.
15 Nov. '39	101.50	102.00	1.13
15 Oct. '39	102.50	103.00	1.15
15 Oct. '39	105.65	106.15	1.12
1 June '40	100.25	100.75	1.23
1 Sept. '40	108.00	108.50	1.59
15 Mar. '41	97.75	98.25	1.50
15 Nov. '41	111.00	111.50	2.12
15 Oct. '42	104.00	104.50	2.08
1 June '43	101.35	101.85	2.16
15 Oct. '43	112.00	112.50	2.77
15 Oct. '44	110.50	111.00	2.80
15 Aug. '45	99.00	99.50	2.57
15 Oct. '45	106.75	107.25	▲2.71
1 Feb. '46	110.50	111.00	3.01
1 June '49	101.40	101.90	▲3.00
15 Oct. '49	102.75	103.25	▲2.99
15 Oct. '52	106.35	106.85	▲3.22
1 June '55	97.15	97.65	3.17
1 Nov. '56	110.00	110.50	▲3.21
1 Nov. '57	110.00	110.50	▲3.31
1 Nov. '58	110.50	111.00	▲3.34
1 Nov. '59	110.70	111.20	▲3.39
15 Jan. '61	99.25	99.75	3.26
1 June '66	98.75	99.25	3.29
Perp. bds.	87.75	88.25	3.40

Dominion Guaranteed Bonds

Canadian National Railway:	Bid	Asked	Yld.
1 May '44	102.00	103.00	2.51
15 Dec. '50	97.00	98.00	3.18
15 Feb. '53	96.00	97.00	3.25
1 Sept. '51	112.50	113.50	3.29
1 Feb. '56	113.00	114.00	3.46
1 July '57	112.25	113.25	3.56
15 June '55	115.75	116.75	3.48
1 Feb. '54	116.50	117.50	3.58
1 July '69	115.75	116.75	▲2.98
1 Oct. '69	118.50	119.50	▲3.40

Provincial Government Bonds

	Bid	Asked	Yld.
New Brunswick:			
1 Sept. '54	100.00	102.00	3.83
15 Apr. '61	104.00	105.50	4.12
15 Jan. '60	107.50	109.50	4.33
Nova Scotia:			
2 Sept. '45	97.00	98.50	3.20
15 May '43	106.50	107.50	3.06
15 Sept. '52	108.25	109.50	▲3.37
1 Mar. '60	115.50	117.50	3.86
Ontario:			
1 Dec. '51	96.00	97.00	3.26
1 June '62	106.00	107.00	3.58
1 June '50	110.50	111.50	3.40
15 Jan. '62	114.00	116.00	3.52
15 Oct. '48	114.50	115.50	3.36
2 Dec. '60	119.50	121.00	3.66
1 July '46	116.00	117.00	3.30
Ont. Hydro Comm.:			
1 Apr. '47	102.25	103.25	3.12
1 Jan. '70	116.75	117.75	3.70
Prince Edward Island:			
1 Oct. '45	97.50	98.50	3.21
Quebec:			
15 Mar. '52	105.00	106.25	3.46
1 Aug. '58	108.75	109.75	3.58
2 Jan. '63	110.50	112.00	3.77
Alberta:			
15 Dec. '54	51.00	54.00	‡
1 Dec. '57	51.00	54.00	‡
1 Oct. '51	68.00	71.00	‡
1 Oct. '56	54.00	56.00	‡
1 Jan. '48	56.00	58.00	‡
1 Sept. '55	56.00	58.00	‡
1 Oct. '59	56.00	58.00	‡
1 Jan. '47	57.00	59.00	‡
1 Mar. '47	64.00	67.00	‡
British Columbia:			
1 Dec. '57	91.00	92.50	4.57
15 Jan. '51	96.75	97.75	4.72
1 Oct. '53	96.00	97.00	4.76
15 Jan. '48	100.00	101.00	4.87
1 Sept. '53	100.00	101.00	4.91
1 Feb. '45	101.75	102.75	5.05
15 Feb. '47	104.50	105.50	5.25
Manitoba:			
2 Jan. '50	81.00	83.00	5.95
1 Dec. '57	81.00	83.00	5.37
15 Dec. '56	84.00	87.00	5.60
15 June '54	90.50	93.50	5.60
2 Dec. '59	90.50	93.50	5.50
1 Oct. '55	92.50	94.50	6.00
1 Apr. '47	97.00	98.50	6.20
Saskatchewan:			
15 Aug. '53	66.00	68.00	7.46
1 Nov. '60	65.00	67.00	6.85
2 July '45	74.00	77.00	8.52
1 Oct. '51	77.75	78.75	6.85
15 Mar. '60	68.00	70.00	7.21
1 Aug. '58	73.00	75.00	7.35
15 Nov. '46	78.00	82.00	8.33
1 Oct. '52	77.00	79.00	7.87
15 Mar. '52	78.00	80.00	8.40

*Payable Can., N.Y. & £. ▲Calculated to call date giving lowest possible yield. †Payable Can. & N.Y. •Payable N.Y. ▲Callable on or after Sept. 15, 1966. ‡Traded flat. Interest being paid at 50% of coupon rate; minimum rate 2%.

Dividends Declared

	This payment	Date payable	Date of record
Agnew-Surp., pfd.	$1.75	Oct. 1	Sept. 15
Bell Telephone	$2	Oct. 15	Sept. 23
Brazilian Traction	$1.50	Oct. 1	Sept. 15
Burlington Steel	15c	Oct. 1	Sept. 15
Biltmore Hats, pfd.	$1.75	Sept. 15	Aug. 14
Bk. of N. Scotia	$3	Oct. 1	Sept. 15
Bright, T. G.	7½c	Sept. 15	Aug. 31
Do., pref.	$1.50	Sept. 15	Aug. 31
Can. Nor. Pwr., pf.	$1.75	Oct. 15	Sept. 30
Do., com.	30c	Oct. 25	Sept. 30
Candn. Malartic	5c	Sept. 8	Aug. 28
Canada Cement	$1.25	Sept. 20	Aug. 31
Cosmos Imp., pref.	$1.25	Oct. 15	Sept. 30
Canadian Oil, pref.	$2	Oct. 1	Sept. 20
Cariboo Gold	2½c	Oct. 1	Sept. 10
Can. Wire & C., p.‡	$6	Sept. 7	Aug. 20
Candn. Industries,	$1.75	Oct. 30	Sept. 30
Do., pref	$1.75	Oct. 15	Sept. 30
Carnation Co., pf.	$1.25	Oct. 1	Sept. 20
Can. Perm. Mtge.	$2	Oct. 1	Sept. 15
Can. Malting	37½c	Sept. 15	Aug. 31
Can. Cottons	$1	Oct. 1	Sept. 17
Do., pref.	$1.50	Oct. 1	Sept. 17
Comm. Alcohol, pf.	*10c	Oct. 15	Oct. 1
Can. Wire. Box, A	37½c	Oct. 1	Sept. 15
Dom. Bank	$2.50	Oct. 1	Sept. 20
Dom. Tar & Chem., pfd.	$1.37½	Sept. 15	Aug. 25
Electrolux Corp.	40c	Sept. 15	Aug. 16
Do., extra	10c	Sept. 15	Aug. 16
Eng. Elec., A	62½c	Sept. 15	Aug. 31
Falconbridge	7½c	Sept. 30	Sept. 8
Ford Motor, A. B.	25c	Sept. 18	Aug. 28
Fam. Un. Theat., p.	$1.50	Sept. 30	Aug. 21
Hollinger Cons.	5c	Sept. 9	Aug. 26
Imp. Tobacco	10c	Sept. 30	Sept. 10
Do., pref.	3%	Sept. 30	Sept. 10
Inter. Mining	15c	Sept. 20	Aug. 31
Inter. Nickel, c.	50c	Sept. 30	Aug. 31
Lake Shore Mines	$1	Sept. 15	Sept. 1
Lava Cap Gold	5c	Sept. 30	Sept. 10
Louisiana Land	10c	Sept. 15	Sept. 1
McColl-Fron., c.	10c	Sept. 15	Aug. 14
Do., pref.	$1.50	Oct. 15	Sept. 30
Monarch Knit., pf.	$1.75	Oct. 1	Sept. 15
Montreal Cottons	50c	Sept. 15	Aug. 31
Do., pref.	$1.75	Sept. 15	Aug. 31
Nat. Brew.	50c	Oct. 1	Sept. 15
Do., pref.	44c	Oct. 1	Sept. 15
Nat. Biscuit, c.	40c	Oct. 15	Sept. 10
Ont. Silknit, pf.	$1.75	Sept. 15	Aug. 31
Ogilvie Flour M., p.	$1.75	Sept. 1	Aug. 20
Pioneer Gold (B.C.)	10c	Oct. 1	Sept. 1
Power Corp., pfd.	$1.50	Oct. 15	Sept. 30
Do., 2nd pfd.	75c	Oct. 15	Sept. 30
Remington-Rand	35c	Oct. 1	Sept. 10
Reno Gold	3c	Oct. 1	Sept. 10
Sheep Creek G.	2c	Oct. 15	Sept. 30
Do., extra	1c	Oct. 15	Sept. 30
Reliance Grain, pf.	$1.62½	Sept. 15	Aug. 31
Sylvanite Gold	20c	Sept. 30	Aug. 16
S. S. Mills, A	50c	Oct. 1	Sept. 15
Siscoe Gold M.	5c	Sept. 15	Aug. 31
Smith, H. Pap., pf.	$1.50	Oct. 15	Sept. 30
So. Can. Pwr., pfd.	$1.50	Oct. 15	Sept. 20
Stand. Steel, pf., A	75c	Oct. 1	Sept. 15
Do., arrears	75c	Oct. 1	Sept. 15
Tor. Gen. Trusts	$1	Oct. 1	Sept. 18
Toronto Elev., pf.	66c	Sept. 7	Aug. 31
Union Gas	15c	Sept. 15	Aug. 20
Weston, Geo., c.	20c	Oct. 1	Sept. 15
Walker-G. & W.	50c	Sept. 15	Aug. 20
Do., pref.	25c	Sept. 15	Aug. 20
West. Koot. Pr., pf.	$1.75	Oct. 1	Sept. 22
Wr. Hargreaves	10c	Oct. 1	Sept. 8
Do., extra	5c	Oct. 1	Sept. 8

*Initial ‡On arrears.

Monthly Bank Clearings

	August 1936	August 1937
Halifax	$ 9,730,237	$ 10,612,569
Saint John	7,147,404	8,895,468
Moncton	3,022,245	3,390,791
Sherbrooke	2,456,042	3,120,468
Quebec	17,157,640	21,344,896
Montreal	389,421,017	471,367,866
Ottawa	63,077,980	76,872,465
Kingston	2,240,150	2,353,221
Peterborough	2,574,684	2,548,757
Toronto	454,202,273	456,927,983
Hamilton	17,949,582	23,736,064
Kitchener	4,363,914	5,155,691
Brantford	3,437,819	3,676,554
London	11,037,681	10,962,630
Chatham	2,078,023	2,202,600
Windsor	9,679,393	9,679,393
Sarnia	1,799,083	1,698,120
Sudbury	4,169,295	4,243,157
Fort William	3,569,705	3,181,867
Winnipeg	267,781,180	143,562,565
Brandon	1,361,146	1,363,010
Regina	20,962,902	14,001,136
Moose Jaw	2,533,758	2,393,271
Prince Albert	1,412,830	1,550,842
Edmonton	14,370,235	16,001,868
Calgary	[illegible]	[illegible]
Medicine Hat	1,104,127	974,358
New Westminster	[illegible]	[illegible]
Vancouver	77,117,794	77,531,576
Victoria	7,192,262	7,397,623

Week in Wheat

Market Marking Time: Waits New Crop News

Reports Still Hazy Regarding Argentine Drought, Russian Exports and Western European Requirements — World Shipments Abnormally Low

From Our Own Correspondent

WINNIPEG.—Decided dullness has prevailed in Canadian wheat markets lately. Just enough business has been transacted to take care of hedging of country deliveries of new crop by prairie growers and a limited amount of exports. World buyers are hesitant pending definite survey of Argentine crop conditions, import wants of European countries and size of Russian exports.

Some private reports do not bear out recent optimistic forecasts for United States corn crop though markets now fairly generally convinced that more feed will be available to American farmers than for some years past. As a result little good wheat is expected to be fed to livestock.

Though estimates of world requirements this season are low, nevertheless these are decidedly higher than would be covered by present small shipments. As a result world movement of wheat is expected to speed up in the fairly near future.

Cash wheat has been maintaining a premium of approximately five cents a bushel for No. 1 Northern over October, with Durum wheat selling at a discount of 25 cents.

Watching Argentine

Argentine weather is the principal influence in the wheat market at the moment. Such was indicated last week by a rise in the market when reports came that on account of drought, 1.7 million acres in the Argentine must be considered as complete failure. This was followed by reports of fairly extensive rains which caused the international market to decline again.

Russian and Australian export surpluses are also variable quantities, but the possible variation in Argentine supplies is considered to be greater than in either of the other.

• • •

European Needs

There have been some reports of small purchases of imported wheat, both Russian and Danubian, by Germany. Germany undoubtedly needs large imports of grain this year, but the government is determined to keep them to an absolute minimum, in order to prevent strain on the exchange situation. The latest reports seem to indicate a domestic situation much tighter than had been anticipated, and market observers are inclined to believe that before the year is out Germany will be compelled to admit much larger supplies of imported wheat than has been the case for some years.

Reports about the French situation are conflicting, but the production of a poor wheat has been confirmed. France is expected to use up domestic supplies first, supplemented by imports from her African colonies, and to resort to imports later in the season, instead of taking these at a uniform rate throughout the year.

• • •

Farmers May Hold

Holding of grain by farmers is again emerging as a market factor of some importance. During recent years farmers have been so hard pressed for money that they sold the great bulk of their crop as soon as delivered to the local elevator. This year, however, in most of Manitoba, and in considerable areas of Alberta, farmers are having a prosperous year. Many, therefore, who hope for higher prices later on, are in a position to hold. Over large areas of Saskatchewan, of course, there are no crops at all to market, and very few districts where yields can be classed as good.

• • •

Chinese News Bullish

Such effect on the wheat market as has been produced by the war situation in China appears to have been bullish. The argument appears to be that the consumption of wheat is likely to be increased by the number of soldiers in the field, and that although neither China nor Japan is at present importing any noticeable quantity of wheat, both countries will need imports before the year is out.

Reforestation Survey

R. S. Carman of the Ontario Forests Branch, Toronto, is now in Leeds County making a survey of sub-marginal agricultural lands from the standpoint of their possible reforestation and conservation.

DIVIDEND NOTICES

THE DOMINION BANK

Notice is hereby given that a Dividend of two and one-half per cent upon the paid up capital stock of this Institution has been declared for the quarter ending 30th September, 1937, being at the rate of ten per cent per annum, and that the same will be payable at the Head Office of the Bank and its Branches on and after Friday, the 1st day of October, 1937, to shareholders of record of the 20th September, 1937.

By Order of the Board.

ROBERT RAE,
General Manager.

Toronto, 12th August, 1937.

CANADA PERMANENT MORTGAGE CORPORATION

Notice is hereby given that a Dividend of TWO PER CENT. on the paid-up Capital Stock of the Corporation has been declared for the current quarter, and that the same will be payable.

Friday, the First Day of October next, to Shareholders of record at the close of business on the Fifteenth day of September, 1937.

By order of the Board.

Walter F. Watkins,
Secretary.

Toronto, August 18th, 1937.

The Bell Telephone Company of Canada

Notice of Dividend

A dividend of two per cent (2%) has been declared payable on the 15th day of October, 1937, to shareholders of record at the close of business on the 23rd of September, 1937.

F. G. WEBBER,
Secretary.

Montreal, August 25, 1937.

The Montreal Cottons Limited

NOTICE IS HEREBY GIVEN THAT A DIVIDEND OF ONE HALF OF ONE PER CENT (½%), has been declared upon the Common Stock of the Company, and cheques will be mailed on the fifteenth day of September next, to shareholders of record at the close of business on the 31st day of August, 1937.

By Order of the Board,

CHAS. GURNHAM,
Secretary-Treasurer.

Valleyfield, August 25th/'37.

The Montreal Cottons Limited

NOTICE is hereby given that a quarterly dividend of One and Three Quarters per cent (1¾%), being at the rate of Seven per cent (7%) per annum, has been declared upon the preferred stock of the Company, and cheques will be mailed on the fifteenth day of September next, to shareholders of record at the close of business on the 31st day of August, 1937.

By Order of the Board,

CHAS. GURNHAM,
Secretary-Treasurer.

Valleyfield, August 25th, 1937.

A. J. PATTISON Jr. & CO. Ltd.
established 1907
CORPORATION SECURITIES
Royal Bank — EL. 5101
TORONTO

DIVIDEND NOTICES

The Ontario Loan and Debenture Company

301st Dividend

Notice is hereby given that a QUARTERLY DIVIDEND of $1.25 per share for the current quarter ending 30th September, 1937, has been declared on the paid up Capital Stock of this Company and will be payable at the Company's Office, London, Ontario, on the 1st October, 1937, to Shareholders of record of the 15th September, 1937.

By Order of the Board.

T. H. Main, Manager.

London, Ontario, 31st August, 1937.

SOUTHERN CANADA POWER COMPANY LIMITED

Preferred Dividend No. 71

A DIVIDEND of one and one-half per cent, (1½%) being at the rate of 6% per annum, on the PREFERRED STOCK of SOUTHERN CANADA POWER COMPANY LIMITED has been declared for the quarter ending September 30th, 1937, payable October 15th, 1937, to shareholders of record at the close of business on September, 20th, 1937.

By order of the Board,

L. C. HASKELL,
Secretary.

Montreal, August 26th, 1937.

McCOLL-FRONTENAC OIL COMPANY LIMITED

Preferred Dividend No. 39

NOTICE IS HEREBY GIVEN that a Dividend of $1.50 per share, being at the rate of 6 per cent per annum, has been declared on the 6 per cent Cumulative Preferred Stock of McColl-Frontenac Oil Company, Limited, for the Quarter ending Sept. 30, 1937, payable October 15th, 1937, to shareholders of record at the close of business September 30th, 1937.

By Order of the Board,

FRED HUNT,
Secretary.

August 25th, 1937.

Imperial Tobacco Company of Canada, Limited

— DIVIDEND —

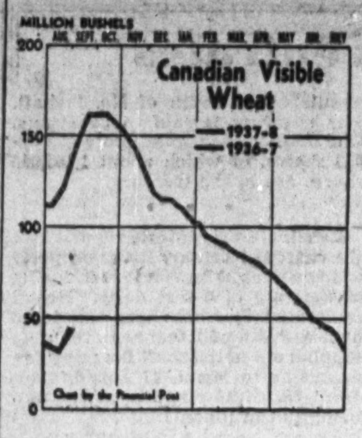
NOTICE IS HEREBY GIVEN that an Interim Dividend (No. 124) of ten cents (10c) per share on the paid-up Ordinary Shares of the Company has been declared payable on Thursday, the 30th day of September, 1937, to shareholders of record at the close of business on Friday, the 10th day of September, 1937.

A Semi-Annual Dividend (No. 51) of three per cent. (3%) on the paid-up Preference Shares of the Company has been declared payable on Thursday, the 30th day of September, 1937, to shareholders of record at the close of business on Friday, the 10th day of September, 1937.

By Order of the Board.

F. P. L. LANE,
Secretary.

MONTREAL, P.Q.,
27th August, 1937.



MOVING UP

With new crop now pouring into country elevators much faster than export sales, Canadian visible supply of wheat in store is beginning to move up again. However, in view of the smallness of the present crop and the less than 30 million carryover it is not expected that the accumulation of the next few months will even approach levels of a year ago.

Details in bushels of visible and clearances are as follows:

	Aug. 27	Week Previous	Last Year
Visible Supplies	38,479,000	30,769,000	135,170,000
Export Clearances*	1,531,804	2,168,739	5,203,916

*Plus U. S. imports.

Much Grain Low In Grade

Uneven Ripening Follows Late Rains on Prairies

From Our Own Correspondent

WINNIPEG. — Farmers' grading complaints, which have been almost altogether absent during recent years, are commencing to recur again. For several years past a large part of the grain produced has given no difficulty, either because it was undoubtedly high in grade, or so obviously low that no occasion for dispute could arise. But this season quantities have been produced which must be graded down to No. 2 or No. 3 Northern for reasons not always obvious.

Principal cause has been uneven ripening, resulting in threshed samples containing mostly grain which is practically perfect, and of high test weight, but containing a sufficient proportion of green or unmatured kernels to lower the grade.

Much in Alberta

To some extent this has already been experienced in Manitoba, but there are larger difficulties in Alberta. In that province there has been a good deal of second growth crop following late rains. As a rule this is much heavier than the first growth and matures later. Harvesting and threshing such crops is bound to give a considerable mixture of kernels which have either been bleached by being left too long, or are immature because harvested too early.

During the period of heavy carryovers there was a good deal of overgrading of grain due to competition among elevator companies. To a considerable extent losses were compensated by earnings from long storage. But this year overgrading means a certain loss to elevator companies which, because of premiums prevailing for cash grain in comparison with futures, must sell quickly.

Expecting Little Wheat Cancel Vancouver Leases

From Our Own Correspondent

VANCOUVER.—Coast grain shippers are lamenting a new development in wheat export from the prairies. Instead of routing their shipments westward via Vancouver and the Panama Canal, as in former years, Alberta wheat interests are shipping east via the Great Lakes.

As a result, elevator operators expect that the movement of wheat through this port will be unusually light. One elevator lease has been dropped—that of the Harbor Board elevator No. 2, by the Alberta Pool, and there is some talk of another elevator lease being abandoned for the present shipping season.

Chief reasons for wheat's reverse movement are high ocean freight rates and long shipment from final market. There is at present a difference of about nine cents a bushel in the price of No. 1 Northern favoring Fort William over Vancouver.

Imp. Tobacco Extends Plant

Imperial Leaf Spending $300,000 Modernizing Ontario Units

Expenditure of about $300,000 is involved in construction of new factory and warehouse buildings by Imperial Leaf Tobacco Co. of Canada at Delhi and Leamington, Ont. As many as 2,100 employees may be engaged in the new units, or 750 more than are at present employed, but the exact total depends chiefly on the extent of this year's tobacco crop in southwestern Ontario.

Improved working conditions, storage facilities and methods of handling tobacco will result from erection of the three-story reinforced concrete building at Delhi. The upper floor will have glass brick in place of windows and through the northern exposure will come natural light to ensure greater uniformity in selecting different grades and colors of tobacco.

Commodities

With the exception of further minor weakness in cotton, reflecting crop weather and the generally nervous atmosphere of that market in the last month, commodity price levels are fluctuating narrowly without a definite trend. Traders in rubber and silk displayed mild buying interest this week but without any visibly strengthening influence on prices.

Comparative figures follow:

Price Range	Latest week	Previous week	Same week last yr.
Cattle	$10.00	$10.00	$6.00
Hogs	10.75	11.60	9.60
Copper, lb.	.14	.14	.09¾
Cotton, lb.	.0970	.0999	.1170
Rubber, lb.	.1831	.1825	.1631
Sugar, raw, lb.	.0355	.0360	.0370
Silk, lb.	1.94	1.94	1.73
Wheat, Man. (bu.)	1.28½	1.27⅝	.96⅛
Coffee, lb.	.09⅝	.09⅝	.08¼
Hides	.16½	.16¼	.11½
Weekly Indices			
N. Y. Annalist*	94.9	95.1	85.0
Fishers'	91.7	91.9	83.8
N. Y. Journal of Comm.	88.1	88.4	81.2
Crumps (Brit.)	83.6	84.2	76.0
U. S. Labor	87.3	87.5	81.5
Canada (D.B.S.)	86.3	85.9	76.2

Monthly Indices	Latest month	Prev. month	Same last year
Canada (D.B.S.			
Retail (June)	82.6	82.8	80.0
W'sale (June)	84.6	85.1	72.3
U. S. (May)	87.4	88.0	78.6
Gt. Brit. (May)	96.9	95.4	80.5

Note: The base of indices is that 1926 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle—Steers, good, over 1,050 lb., top price, Toronto; Copper-electrolytic, New York; Silk—Japanese, 13-15 New York; Sugar—96 degrees centrifugal c/f New York; Wheat—No. 1 Man. North. Ft. W.-Pt. A. Basis; Hides—No. 1 packer light native cows; Hogs—select bacons, Toronto.

*Revised.

Canada Dry Offers Rights

Over 50% of Net Income Comes from Canadian Sales

Sales of carbonated beverages in Canada provided Canada Dry Ginger Ale, Inc., with slightly more than 50% of its consolidated net income in the 12 months ended April 30, 1937. For the same period slightly less than 50% of the consolidated net income came from the sales of alcoholic beverages in the United States, and sales of carbonated beverages in the United States showed a small net loss. Evidence of the greater profit making possibilities in the Canadian market through sales of carbonated beverages is seen in the division of dollar volume which Canada Dry Ginger Ale makes in its registration statement filed with the Securities and Exchange Commission in connection with the sale of 102,526 shares of capital stock.

For the 12 months ended April 30, 1937, the company's dollar volume of consolidated net sales was divided as follows: 49.5% from sales of carbonated beverages in the United States; 39% from sales of alcoholic beverages in the United States; 11.5% from sales of carbonated beverages in Canada. In spite of being only 11.5% of total sales, the Canadian business provided slightly more than 50% of consolidated net income for that period.

In an effort to increase its sales volume and, particularly through reduced freight charges, to lower distribution costs the company has recently increased advertising expenditures and adopted the policy of increasing the number of points from which local distribution could be effected. Approximately 45 warehouses have been leased in various parts of the United States and Canada.

Sales of alcoholic beverages were only started by Canada Dry in Dec., 1933, but figures released in this registration statement indicate the importance which this portion of the company's business has reached. The company states that "Johnnie Walker" whiskies are by far the most important of the alcoholic products in the business. The company's original contract with John Walker & Sons, Ltd., expired on Dec. 1, 1936, and a new agreement is now being negotiated.

Rights to Shareholders

Changes being made in the company's system of distribution, as well as greatly decreased profits of the past few years, have made it necessary to raise almost $1,750,000 of new capital through the sale of 102,526 shares of capital stock. Present shareholders of record Sept. 2, 1937, are being offered transferable rights to subscribe to one additional share of common stock at $17 a share for each five shares now held. These rights will expire Sept. 22, 1937. Any balance of the capital stock being offered, which is not taken up by shareholders, will be purchased by underwriters at the same price as that at which shares are being offered to stockholders. The commission being paid to the underwriters will be 80 cents a share.

From the net proceeds of the sale, a $200,000 loan from Canada Dry Ginger Ale, Ltd., the Canadian subsidiary, will be repaid. Another $500,000 will be applied toward reducing the bank loan of $800,000 from the Guaranty Trust Co., of New York. Acquisition of plants in Canada and the United States will require $450,000 of this new capital and the balance will go into the company's general funds.

The company has already entered into an agreement to purchase a property in Pittsburgh for $112,500 and an estimated amount of $75,000 is to be spent in Philadelphia and $25,000 in Atlanta.

Wholesale Offer is Spurned For Rust Resistant Thatcher

So far as can be learned, practically no farmers who produced rust resistant Thatcher wheat this year are taking advantage of the offer of the Saskatchewan Government to buy such seed at a premium of five cents a bushel over the Fort William basis price. Those who have good Thatcher seed are finding a good local demand at premiums of from 15 to 25 cents a bushel. Ordinarily farmers who have to buy seed wheat delay buying until spring, but scores of farmers, as soon as they have sold some grain, have been laying in seed supplies from neighbors who were fortunate enough to try out the new rust resistant variety this year.

Serious as the seed situation in Saskatchewan is this year, with millions of acres unproductive, it seems to be at least somewhat better than was at first feared. Hundreds, and probably thousands of farmers whose crops have been recorded as total failures, have nevertheless been able, with the help of mower and rake, to gather up enough wheat to provide seed for next year. This is being conserved with extreme care. In spite of the fact that the Dominion and provincial governments will undoubtedly distribute millions of bushels of seed wheat next spring, farmers expect that supplies will be doled out cautiously.

Insulating Board Sales Show Big Improvement

From Our Own Correspondent

MONTREAL.—Domestic sales of rigid insulating board in Canada have shown a marked increase during the current year, shipments in the first seven months of the year amounting to 28.5 million surface feet, compared with 21.2 million surface feet in the corresponding period of 1936. In the month of July shipments totalled almost 5.5 million surface feet as compared with 3.6 million surface feet in July, 1936.

Firms reporting to the Dominion Bureau of Statistics are Building Products Ltd., International Fibre Board Co., and Alexander Murray & Co., agents for Donnacona wood fibre insulating board products.

DIVIDEND NOTICES

UNDER THE MANAGEMENT OF POWER CORPORATION OF CANADA LIMITED

Canada Northern Power Corporation, Limited

Preferred Dividend No. 51

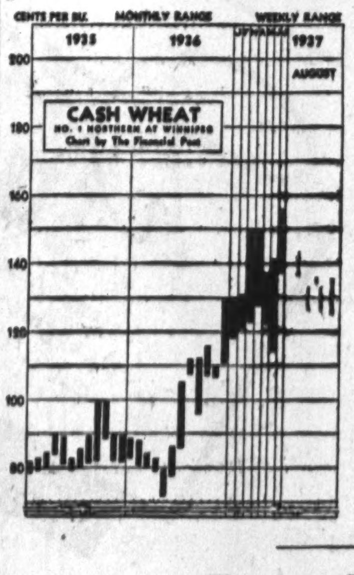
NOTICE is hereby given that a Dividend of 1¾% (being at the rate of 7% per annum) has been declared on the 7% Cumulative Preferred Stock of CANADA NORTHERN POWER CORPORATION LIMITED for the quarter ending September 30th, 1937, payable October 15th, 1937, to shareholders of record at the close of business on September 30th, 1937.

By order of the Board.

L. C. HASKELL, Secretary.

Montreal August 24th, 1937.

Wheat Prices



(Cash Quotations)

	For Week Aug. 31 High	For Week Aug. 31 Low	Prev. Week High	Prev. Week Low
1 Man. Hard	1.31¼	1.27⅞	1.33½	1.28
1 Northern	1.31¼	1.27⅞	1.33½	1.28
2 Northern	1.23¾	1.21	1.28⅛	1.20½
3 Northern	1.20¼	1.16½	1.23⅛	1.17½
4 Northern	1.14⅜	1.10⅞	1.18⅛	1.11
5 Wheat	1.08¼	1.05	1.10	1.05¾
6 Wheat	1.01⅜	.93⅞	1.04½	.99¼
Feed Wheat	.86¼	.84	.88½	.83¾
Vancouver: Week to Aug. 30:				
1 Northern	1.22¼	1.20	1.28	1.20½

Competitive Export Prices:
Aug.-Sept. shipments:

	Week to Aug. 31 High	Week to Aug. 31 Low
No. 1 North (Atlan.)	1.49⅛	1.44½
No. 2 North. (Atlan.)	1.42⅛	1.38½
Australian	1.30	1.29⅛
Indian (new crop)	1.25¼	1.24¼
U. S. Hard Winters	1.28⅞	1.25¼
Argentine (Rosafe)*	1.26	1.24¼
Rumanian	1.18¼	1.14⅞
Russian	1.26	1.24¼

*New crop, Jan.-Feb.

Winnipeg Grain Futures

Week to Aug. 31, 1937

Crop year from Aug. 1, 1937 High	Crop year from Aug. 1, 1937 Low		Open Aug. 25	High for week	Low for week	Close Aug. 31
		Wheat				
1.32½	1.20¾	Oct.	1.21	1.26⅛	1.20¾	1.22⅞
1.29⅜	1.17⅝	Dec.	1.17¾	1.23	1.17¾	1.19⅝
1.30¾	1.19¼	May	1.19½	1.24¾	1.19¼	1.21⅛
		Oats				
.49¾	.43¾	Oct.	.46½	.48⅛	.46¼	.47¼
.46½	.40¼	Dec.	.44½	.45⅝	.43⅞	.44⅝
.47¼	.42⅛	May	.44½	.45½	.44⅛	.44¼
		Barley				
.62⅛	.54¾	Oct.	.55½	.56½	.54¾	.55⅝
.60⅜	.52⅛	Dec.	.54¾	.54¾	.52⅛	.53⅛
.58⅛	.53¼	May	.55⅝	.56	.53¼	.54⅝
		Flax				
1.79	1.72¾	Oct.	1.73	1.76	1.73	1.76
1.77⅛	1.72	Dec.	1.73	1.75¼	1.73	1.75¼
1.81	1.75⅛	May	1.76⅜	1.76⅞	1.75⅝	1.76⅞
		Rye				
.94	.83	Oct.	.83½	.88½	.83½	.87⅞
.93	.80⅝	Dec.	.81	.86⅜	.81	.85⅜
.92	.83	May	.84½	.87	.83	.86

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Owning and Operating
Terminal Elevator at Port Arthur
(Capacity 5,500,000 bushels)
Over 200 Elevators in Western Canada
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Training Plan Provides For Mining Scholarships

MONTREAL.—Following the example set by other provinces, Quebec has entered into an agreement with the Dominion Government for a youth training project as recommended by the National Employment Commission. The agreement provides for an annual expenditure of $450,000, half of which will be provided by the Quebec Government and half by the Dominion.

This sum will be used partly for additional mining scholarships to train men qualified to develop Quebec's own mining resources. Early this year the Government announced that it would provide a number of such mining scholarships, which are now to be supplemented under the training plan.

Week in Mining

Sino-Jap Conflict Aids Metal Demand

Tie-up in B. C. Shipping at Present Offsetting Benefits of Increased Market — More Response to Paish View

Marked strength in the base metal stocks on Canadian mining exchanges of late can be traced to the violent Sino-Japanese disturbance, and to the partly related firmness in demand for these metals.

Canada, one of the world's big producers of copper, lead, zinc, nickel and other base metals, is, however, finding the Oriental hostilities a mixed blessing as far as her mining industry is concerned. The province most directly affected is, of course, British Columbia. The increased demand which the Sino-Japanese war has created for British Columbia metals has been largely offset by the tie-up in shipping. Japanese company freighters have been commandeered by the war-minded government for more pressing jobs. Thus large shipments of copper from the Copper Mountain properties of Granby Consolidated Mining & Smelting Co. were at last reports lying idle at Port Coquitlam. Nickel shipments are also marking time. This tie-up in shipping is apparently quite general.

Lead and Zinc Strong

Percy E. Barbour, eminent United States authority on the economics of base metals, writing in The Annalist, is inclined to be bullish on the outlook for lead and zinc, although stressing the fact that much of the apparent consumption of metals is going into war materials.

"In this country," he writes, "it is good form to consider the rising consumption of metals as the result of a healthy recovery. As a matter of fact, a great deal of our apparent consumption of metals is going into munitions of war for export. No neutrality law can prevent this, because munitions do not only mean ammunition, guns, submarines and airplanes. Troops in the field need every article for their supply and support that they need in peacetime, besides the strictly military equipment and supplies. All these are munitions, and the army procurement list comprises more than 50,000 items. No one can calculate the ultimate destination or purpose of the innocent-looking articles we export."

It is impossible, Mr. Barbour writes, to estimate how much present demand would shrink if the war demand stopped. It is apparent, however, that there is little likelihood of it doing so for some time. In the meantime, however, stocks of both metals are down, consumption and prices up.

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Paish Percussions

Apart altogether from the calibre of the views expressed, outside commentators agree that one of the noteworthy aspects of The Financial Post's recent symposium on gold's future was the readiness, almost eagerness, with which prominent Canadian economists and businessmen expressed their views on this question, and the unanimity of their verdict condemning the views of Sir George Paish. Expression of opinion continue to come into this office.

J. H. C. Waite, president and general manager of Mining Corp., who was absent in the Northwest Territories when queried by The Post, writes:

"Aside altogether from my own interests and hopes, and I trust that I can divorce them from sizing up a proposition such as this, I cannot see how it will be at all practical or desirable to reduce the price of gold at this time—in fact, I can see many more arguments in favor of raising the price than of reducing it. I do not think this will happen, nor do I think it desirable. Nevertheless, as I said above, I can see more arguments in favor of an increase than a reduction in price."

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Would Mean Exodus

Commenting further on Sir George Paish's provocative article, Wellington Jeffers, financial editor of Toronto's Globe and Mail, argued in that paper recently that Sir George errs in regarding the gold problem as a game of chess, without consideration for the human factor.

"It would not be only the falling of quotations of gold mining stocks," he writes; "it would not be only the closing of marginal properties which can now mine gold at a profit; it would not be only the throwing out of employment of many men in plants making machinery and equipment for the mines that close down; it would not be only the dropping of prices of most commodities; it would not be only the widespread attempts to cut wages because 'prices of goods have to be competitive, you know'; it would not be only the increasing unemployment and the accentuation of all relief problems; it would be all of these and more; but the worst thing would be the falling of confidence which follows sudden changes in price levels and a panic-stricken effort to reduce expenses would ensue. Everyone would be making for the nearest exit."

The big trouble would be in finding an exit.

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Aberhart on Oil

The Financial Post has received from western sources concrete evidence that the rumors to the effect that the Aberhart Government planned to assess heavier levies on the province's primary oil industry were unfounded. Among such is a photostat copy of a letter from N. E. Tanner, youthful minister of lands and mines, to an interested enquirer, in which Mr. Tanner emphatically states that "it is not the intention of this Government to interfere with production and development as it is being carried on in the oilfields of Alberta at present."

Like a true Aberhartian, Mr. Tanner goes on to claim that such rumors are the work of eastern interests seeking to keep capital in eastern Canada, thereby deliberately hampering development in Alberta. The interesting thing about the letter, however, is the irrevocable promise that oil development will be left to go its own way.

In explaining the periodic crop of rumors which spring up about Alberta, Mr. Tanner failed to include the attitude of his own prime minister, whose loose statements have more than once afforded fertile ground for the seed of rumor to wax and flourish. Example of such loose statements (usually denied later) was Mr. Aberhart's recent comment that the famous tar sands of Athabaska are capable of producing over 100 billion barrels of oil, thereby providing enough revenue to the province to enable it to pay six times its total debt. The remark was made during one of Mr. Aberhart's Sunday services.

As pointed out by the Edmonton Journal, Max W. Ball, president of Abasand Oils, leading operator in this field, has publicly stated that, while these sands are estimated to contain 100 billion barrels of oil, less than 1% could be extracted commercially.

One per cent of 100 billion is a billion barrels, a prize well worth going after.

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Index to Mining Stocks

After an unsteady opening, prices on Canadian mining markets moved irregularly upward till the final day of the week, when developments in the Orient were associated with the sharp set-back experienced on Aug. 26. Trading volume was light. Golds were quite steady and action was mostly in the junior issues. In the decline Dome was the weakest of the senior golds. Base metals were unsettled by sharp losses in London metal prices and the daily index for this group receded to levels of early July. The Dominion Bureau of Statistics' general index of 24 mining stocks moved lower from 148.4 to 144.2 between the weeks of Aug. 19 and 26 with the golds losing 1.9 to 112.7 and the base metals 13.0 to 274.7.

Mining Industry Speeds Recovery

Crerar Views Operations in Light of Outside Benefits

In an article to appear in the current issue of the monthly Toronto Stock Exchange Bulletin, Hon. T. A. Crerar, minister of mines and resources, discusses the manner in which Canada has shared in the general and steady improvement in business conditions, and the gradual removal of restrictions on the free flow of international trade. He credits the mining industry with playing a major part in Canada's improving external trade and internal economy. In 1936, for example, exports of mine products were valued at $235,791,400 or more than 23% of the total exports for the year.

As to Canada's internal economy, the minister points out that in 1936 the industry paid approximately $120 millions in salaries and wages to their 90,000 employees; $100 millions for the purchase of supplies and equipment in Canada; and more than $82 millions in dividends.

Returns for the first five months of 1937 strongly indicate that mining this year will exceed its former peak of $361,394,062, reached last year, by a wide margin. As compared with the first five months of 1936, the output of gold increased by 14.2%; nickel by 38.1%; copper by 13.7%; lead by 9% and zinc by 7%.

Mining Dividends

	Rate	Close Aug. 30	Yield %
Anglo-Huronian	20c	5.65	..
Beattie Gold	5c	1.15	..
Bralorne	40c+25c	7.75	*8.4
Buffalo Ankerite	50c+12½c	10.50	*5.9
Bulolo Gold	‡$1.50	24.50	..
Can. Malartic	†5c	1.23	..
Cariboo	10c	1.65	6.1
Central Patricia	8c	2.65	..
Coniagas	12½c	2.35	..
Coniaurum	5c	1.35	..
Cons. Smelters	50c+$1	82.00	..
Dome Mines	$2+$2	40.25	*9.9
Falconbridge	30c	7.50	4
Hollinger	65c+45c	12.00	*9.2
Howey Gold	4c	.35	..
Hudson Bay	75c	31.00	..
Island Mountain	‡5c	.65	..
Inter. Mining	45c	11.00	..
Inter. Nickel, com.	$2	62.25	3.2
Kerr Lake	5c	.40	..
Kirk. Lake	‡3c	1.32	..
Lake Shore	$4+$1	51.00	9.8
Lava Cap M.	10c	1.21	..
Little Long Lac	30c	5.50	..
Macassa	15c	5.70	2.6
McIntyre	$2	35.00	5.7
McKenzie Red Lake	4c	1.31	..
McKinley Sec.	5c	.40	..
Noranda	‡$1.75	62.00	..
Nor. Can. Mining	‡2c	.72	..
Nipissing	25c	2.30	..
Placer Develop.	‡60c	17.00	..
Premier	12c+3c	2.11	*7.1
Pioneer, B.C.	40c	4.20	9.5
Pickle Crow	40c	5.60	7.2
Reno	12c	.86	13.9
San Antonio	7c	1.55	..
Sheep Creek	8c+2c	.92	*10.9
Siscoe	20c+1c	3.75	*5.6
Sudbury Basin	†10c	4.50	..
Sullivan Cons.	†2½c	1.34	..
Sylvanite	20c+5c	3.10	*8.1
Teck-Hughes	40c+5c	5.30	*8.5
Toburn	8c	2.35	..
Ventures	†12½c	7.90	..
Wright-Har.	40c+35c	6.65	*11.1

‡Interim. †Initial.
*Yield includes bonus.

Inspiration Busy Over Wide Field

Company Has Interest in Several Quebec Prospects

With Ventures Ltd., Inspiration Mining & Developement Co., active exploration and development company, has required 14 claims adjoining and on the strike of the recent promising discovery in Vauquelin Twp., Quebec, J. P. Norrie, general manager, reports. At present 15 men are on the property doing surface work. Further west on the same strike, a group of five claims has been optioned, adjoining Treadwell Yukon's property to the west.

In Villebon Twp., Quebec, a group of 33 claims has been staked by the company on which work is being carried out with encouraging results. Work is also being started on 15 claims in Tavernier Twp. adjoining the Lacoma Mine to the west. Work will also be started shortly on the Allard River and Chibougamau claims of the company.

On the Senore property in Pascalis and Senneville Twp. adjoining the Perron mine, a valuable gold deposit has been indicated by diamond drilling, Mr. Norrie claims. A shaft will shortly be sunk on this property in which Inspiration holds a substantial interest. The company is also investigating other groups of properties in Ontario and Manitoba.

Mr. Norrie reports that in July, 31 of the company's drills were profitably employed, despite lagging interest in development. Profits from diamond drilling and income from the company's investments exceed the exploration costs of the company, it is stated.

South End Petroleum Sells 100,000 Shares

From Our Own Correspondent

MONTREAL. — An additional 100,000 shares of South End Petroleum Ltd. have been taken up under the option agreement at 15 cents a share, according to advice received by the Montreal Curb Market. A total of 500,000 shares remains under option and the number of outstanding shares is 1,252,933.

Herb Lake Consolidated To Distribute Assets

To obtain shareholders' approval of a by-law authorizing distribution of the company's assets, and the winding up of the company, Herb Lake Consolidated Mines has summoned a special general meeting in Toronto on Sept. 13.

Only assets of Herb Lake Consolidated consist of one million shares of Laguna Gold Mines, which will be distributed among shareholders, after selling sufficient to cover creditors' claims, and the cost of winding up proceedings.

Wood-Cadillac Reports On Option Agreement

MONTREAL. — Wood-Cadillac Mines has notified the Montreal Curb Market that 30,000 shares of capital stock have been taken up at 32½ cents a share under the terms of the underwriting and option agreement. A total of 30,000 shares remains underwritten at 32½ cents a share and 700,000 shares are under option.

Distillers-Seagrams Buys Carstairs Bros.

MONTREAL. — Distillers Corp.-Seagrams Ltd. has added another unit to its U. S. properties through acquisition of Carstairs Bros. Distilling Co. Inc., of Philadelphia.

The Carstairs Company, which traces a family lineage in the whisky business back to 1788, will continue to operate as an independent unit under its own name.

Terms of the purchase and other details of the transaction have not been announced as final plans in regard to the future operation of the new subsidiary have not been decided upon.

Public Utility Earnings

Brazilian Traction

	1937 $	1936 $	Incr. $
July—			
Gross earns.	3,574,702	2,775,741	796,961
Oper. exps.	1,539,797	1,221,698	318,099
Net earns.	2,034,905	1,554,043	480,862
Aggr. gross fr. Jan. 1	22,109,307	17,999,216	4,110,091
Aggre. net fr. Jan. 1	12,188,403	9,845,057	2,343,346

Southern Canada Power

	1937 $	1936 $
July:		
Gross income	192,359	175,563
Oper. expenses	81,532	77,583
Net income	110,827	97,980
Int., dep., divds., etc.	108,821	107,260
Surplus	2,006	*9,280
10 Months End. July:		
Gross income	1,914,168	1,785,706
Oper. expenses	794,165	740,031
Net income	1,120,003	1,045,675
Int., dep., divds., etc.	1,092,553	1,081,876
Surplus	27,450	*36,201

*Deficit.

B. C. Power Corp.

	July 1937 $	July 1936 $
Gross income	1,231,625	1,209,834
Operating expenses	884,990	859,160
Net revenue	346,635	350,674
Int., sub. divds., etc.	193,901	211,145
Balance*	152,734	139,529

*For class A stock.

Canada Northern Power

	July 1937 $	July 1936 $
Gross earnings	423,003	372,029
Oper. expenses	174,778	144,544
Net earnings	248,225	227,485
Seven Mos. end. July 31:		
Gross earnings	2,837,975	2,619,013
Oper. expenses	1,170,610	994,746
Net earnings	1,667,365	1,624,267

Railway Earnings

Canadian National Railways

	1937 $	1936 $	Incr. $
July—			
Oper. rev.	16,662,985	15,296,295	1,366,690
Oper. exp.	15,704,086	15,209,091	494,995
Net rev.	958,899	87,204	871,695
Aggr. to July 31—			
Oper. rev.	111,659,299	100,757,723	10,901,576
Oper. exp.	104,032,452	98,195,480	5,836,972
Net rev.	7,626,847	2,562,243	5,064,604

Canadian Pacific Railways

	1937 $	1936 $	Incr. $
July—			
Gr. earn.	12,041,527	11,577,429	464,097
Work. exp.	10,946,066	10,598,329	347,736
Net earn.	1,095,460	979,099	116,360
Seven Months—			
Gr. earn.	78,831,788	73,621,776	5,210,012
Work. exp.	69,476,174	65,851,676	3,624,497
Net earn.	9,355,614	7,770,100	1,585,514

News Concentrates

Century Mining Corp. has timbered its shaft on the property at Elbow Lake, Manitoba, to below the 250-ft. level. Crosscut on the second level has intersected the Webb and Garbutt veins within 54 ft. from the shaft. Drifting on these veins has started on the first and second levels. On the second level the Webb vein is 5 ft. 7 in. wide, a channel sample from it returning $16.10 per ton. Garbutt vein, where cut, was 2 ft. 5 in. wide and well mineralized.

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Delandore Mines in Delestre Twp., Quebec, 22 miles from Senneterre, reports that with the completion of drill hole No. 13, together with the dip-needle work, the large sulphide body is now shown to be 4,400 feet long. Lawrence B. Wright states that an average width of 100 feet is indicated for those portions of the body having a sulphide content averaging 50% or more. Exclusive of the section beneath Parent Lake, the remaining 2,400 feet lying south of the camp has indicated by drilling 30,000 tons per foot of depth.

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McFarlane Long Lac encountered a showing 66 feet down in shaft sinking which contained free gold across a true width of 5 feet, according to F. McFarlane, president. Shaft is being sunk to 90 feet to explore the section where a drill cut 14 feet of ore, with one section assaying $52 and another section carrying free gold.

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Old Diamond Gold Mines reports that the continuation of No. 1 vein on its Madoc property has been picked up on surface at a point about 90 feet south of No. 1 shaft. The shearing is said to be strong. Old Diamond is capitalized at 3,000,000 shares, of which about 1,165,000 shares are in the treasury.

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Rebair Gold Syndicate reports that the shaft at its Rainy River property is down over 20 feet and is advancing at the rate of 6 feet daily. Heavy mineralization has been disclosed over a width of 3 feet with the vein dipping out of the shaft four degrees, according to Mr. J. M. Baird, manager. Headframe and hoist are now being put in place.

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Red Indian Gold Mines reports that a wide zone showing 3 feet of well-mineralized schist, with interesting values, has been located on the property at Martin's Bay, in Red Lake area. Two quartz veins showing free gold have been uncovered in this zone.

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Sanshaw Mines in Red Lake area, announced that a syndicate has been formed by L. O. Lumbers and associates of Toronto to buy 240,000 shares of treasury stock for $34,000, and in consideration of the fulfillment of that agreement to receive an option upon a further block of treasury stock at higher and varying prices. The option will run to the end of February, 1938.

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Valloc Gold has sent a diamond drill crew to the property south of Wabigoon in Kenora district after an examination recently made by H. M. Whimster. Drilling is reported to have begun.

Toronto Lists Amm Shares

New Pacalta and Powell Rouyn Stock Also Traded in

Among new listings on The Toronto Stock Exchange is the stock of Amm Gold Mines, called for trading Sept. 1.

Amm Gold Mines was incorporated with an Ontario charter in August, 1936, with a capitalization of three million shares of $1 par value of which the issued capital on Aug. 20 was 2,174,000. Of this, 1,045,000 were issued for mining properties, and an additional 30,000 shares for a 90% interest in 10 adjoining mining claims. Balance of the issued stock was sold for cash, netting the company $175,642.

In addition, options on five blocks of 85,000 shares each at 34 cents per share and one block of 90,000 shares at 36 2/3 cents are outstanding.

The company has seven mining claims in Cadillac Twp., Quebec, about 2½ miles east of O'Brien in addition to the 90% interest in 10 adjoining claims. After usual surface work and diamond drilling, shaft sinking was started, and at last reports had reached about 100 feet, with the 300-foot horizon as the objective. Levels will be opened up at 145 and 270 feet.

Pacalta, Powell Rouyn

The Stock Exchange also reports that the additional one million shares authorized for Pacalta Oils, has been listed. The company's authorized capitalization was increased from two to three million shares last July.

Shares of the new Powell Rouyn Gold Mines, formed with a Quebec charter last July, have also been listed by the exchange, trading having started Sept. 1. At the same time shares of the old company, of the same name, were removed from the list. Capitalization of the new company, formed in accordance with Quebec's new regulations, is 1.5 million shares of $1 par of which the issued capital is 1,182,764. Shares of the old company are exchangeable on a share for share basis, and both old and new will be good delivery through the clearing house.

First Airways Plane Is Due

Delivery to Trans-Canada Scheduled for This Month

First of the seven Lockheed Electra planes ordered for the Trans-Canada Airways service is scheduled for delivery early this month, but it will likely be the end of the year before any further deliveries are made. Two additional machines are expected to arrive in Canada before Jan. 1.

It is now regarded as unlikely that any scheduled service can be initiated before next spring, and inauguration of passenger service may be delayed until well into 1938 or even longer. First regular scheduled flights will probably be made in the West, possibly between Winnipeg and Vancouver, but tentative plans call for provision of mail and express service only for some considerable time.

Alaska Deadlock

In the realm of lines connecting with the Trans-Canada trunk route, a deadlock seems to have been reached in regard to extension of the new Edmonton-Whitehorse air mail route into Alaska. An attempt will be made at a conference next month between Canadian and American Government officials to adjust the conflicting ambitions of Alaskan and Canadian air line interests to operate international services connecting Whitehorse in the Yukon with Juneau and Fairbanks in Alaska.

Such services would be linked up with transcontinental Canadian and U. S. lines by way of Edmonton, Calgary, Lethbridge and Great Falls, Montana. The Trans-Canada route passes through Lethbridge.

It is likely that Canada will grant permission to Alaskan services to connect with Whitehorse, and to fly across Canadian territory between Juneau and Fairbanks, on the understanding that reciprocal privileges are given Canadian operators of the Edmonton-Whitehorse line to extend into Alaska. A similar arrangement will probably be reached also in regard to traffic between Edmonton, Calgary and Lethbridge and points south of the border in Montana.

First Charges Laid by S.E.C.

Harry Low, Former Canadian, Arrested in New York

The latest troubles involving Harry Low, who for a time shared control of Carling Breweries, have again been thrust into the spotlight by his arrest in New York and a lawsuit in Montreal affecting a company in which he is interested.

The arrest marked the laying of the first criminal charge since its establishment in 1933 by the U. S. Securities and Exchange Commission. Low was taken into custody as the climax of an S. E. C. hearing on an order stopping further sales of stock of the Trenton Valley Distillers Corp. of Detroit, of which Low was formerly president.

Accused of Omitting Facts

He is accused of having signed, while still president of the distilling concern, an S. E. C. registration statement from which he wilfully omitted material facts required to prevent the statement from being misleading. He is charged with further violation of the Securities Act in that he took delivery of optioned stock of the corporation before the registration statement became effective.

Officials of the S.E.C. allege that Low failed to disclose that in October, 1935, he participated in set-up of a dummy underwriting concern to distribute stock of Trenton Valley Distillers Corp. and took an option to purchase 45,000 shares. Low is alleged to have taken delivery of the stock and sold it, after market manipulation of the stock upward and before the incomplete registration statement was due to become effective.

Civil Suit in Montreal

In Montreal, an interim injunction was obtained by the custodian of the bankruptcy estate of Marco Leon, to prevent distribution by the E. B. M. Co. of $425,000 the firm is due to receive from the Privy Council judgment awarding recovery of $315,000 in securities from the Dominion Bank. The company was originally known as the Carling Export Brewing and Malting Co. and later as the Export Brewing and Malting Co.

In the application for the injunction, it is suggested that Marco Leon, Harry Low and Charles Burns, who at one time controlled Carling Breweries, still share control of the E. B. M. Co. It is claimed in behalf of the company that transfers of stock to other parties has reduced the holdings of Leon and Burns to one and two share respectively, and those of Low to none. The transfers are branded as false in the Montreal litigation to conserve Leon's assets for his creditors.

The securities involved in the Privy Council judgment are for the residue of a $400,000 deposit to cover claims for excise and gallonage taxes against the Carling Export Brewing and Malting Co. When the tax claim was settled, the Bank contended that the three men in their personal capacities had hypothecated the remaining securities against a loan on the Dominion Square Building in Montreal.

Another interim injunction blocking disposal of the proceeds of the Privy Council judgment was obtained in Montreal by James Barclay, Scottish distiller, who holds a judgment against Low, Leon and Burns for $115,000. Barclay is asking that division of the Dominion Bank case settlement be held up until real ownership of the E. B. M. Co. is established by the courts.

Commodity Exchange Cuts Rates on Butter Trading

From Our Own Correspondent

MONTREAL. — Canadian Commodity Exchange announce a reduction of 50% in minimum commission rates on "spot" butter. The new rate is ⅛ cent per pound for non-members and 1/16 cent per pound for members.

This constitutes a return for the rates in force from Nov. 15, 1935 to June 24, 1936. On the latter date the rates were increased ¼% and ⅛% respectively.

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Inter. Utilities Net Maintained

Balance of $1.76 Share For Class A Shares Against $2.43 in 1936

In the six months ended June 30, 1937, International Utilities Corp. had a net profit equal to $8.04 a share on the $7 prior preferred on which dividends totalling $7.50 a share were paid. On the $3.50 prior preferred earnings were $4.02 a share and dividends of $3.75 a share were paid.

Based on dividend requirements for the six months period, a balance of $3.13 a share was left for the $1.75 preferred and $1.76 a share for the class A with no earnings available for the class B stock.

All arrears have been paid on the two classes of prior preferred but arrears of $6.56¼ still remain on the $1.75 preferred, and $19.25 a share on the class A stock.

Consol. Income and Surplus Account
Six Months Ended June 30, 1937

	$
Oper. revenues:	
Water	1,192,597
Electric	545,634
Natural gas	1,999,242
Ice	24,388
Hot water	21,556
	3,783,417
Other income:	
Net income of subs. sold in 1937, less non-recurring prop.	67,925
Int. & divds. rec.	168,256
Miscellaneous	10,952
Total income	4,030,550
Less oper. exps.:	
Operations	1,521,250
Maintenance	240,766
Other taxes	348,763
Prov. for bad debts	17,944
Net earnings	1,901,818
Less: Prov. for amort. & deprec.	365,546
Interest (subsids.)	617,644
Other interest	41,392
Amort. of debt disc. & exp. of subs.	34,731
Prov. for amort. of def. chgs. of sub.	16,482
Income taxes	142,535
Pref. divds. of subsids.	237,095
	446,393
Add: Non-recurring inc.—prop. of inc. of subs. sold in 1937 (see above)	11,833
	458,226
Less: Prop. applic. to minor. ints. in subsidiaries	46,222
Net profit	412,004
Less dividends paid:	
$7.00 prior preferred	36,693
$3.50 prior preferred	340,693
Surplus for period	34,618
Add: Prev. surplus	2,294,066
Misc. credits	3,541
Adj. of minor. int. re earned surplus charges	929
Less: Taxes applic. to pr. yrs.	35,020
Elim. of undistrib. earned surp. of subsidiaries sold	46,467
Misc. charges	2,574
Surplus forward	2,249,115

Working Capital

	June 30 1937 $	Dec. 31 1936 $
Current assets	7,373,558	8,279,317
Current liabilities	3,002,480	3,460,883
Working capital	4,371,078	4,818,434

Can. Breweries Doubles Profit

Past Quarter's Net Equals $2.10 Per Preference Share

Increased sales, improved profits and an encouraging prospect for the final quarter of the year are reported by E. P. Taylor, president of Canadian Breweries Ltd. Net profit for the three months ended July 31, 1937, were equivalent to $2.10 a share on the preferred against 98 cents in the same quarter of 1936. For the year ended July 31, 1937, net profits were equivalent to $2.56 a share on the preference compared with $1.26 in the corresponding period a year earlier.

Dividends paid in the three months ended July 1, 1937, were 50 cents a share on the preference compared with 37½ cents in the same quarter of 1936, while in the 12 months ended July 31, 1937, dividends were $1.62½ a share.

The company has redeemed $100,000 of its 5½% debentures, due 1946, bringing the outstanding amount to $1.4 million.

Income Account
Three Months Ended July 31

	1937 $	1936 $
Profit from oper.	1,237,305	1,034,073
Less: Taxes	822,464	786,573
Net oper. profit	414,841	248,500
Add: Other income	32,642	30,983
Total income	447,483	279,484
Less: Depreciation	76,300	92,666
Interest	27,944	26,751
Net profit*	343,239	160,067

*Subject to provision for minority interest and income taxes.

Income Account
Twelve Months Ended July 31

	1937 $	1936 $
Profit from oper.	3,257,456	3,059,353
Less: Taxes	2,489,135	2,451,145
Net oper. profit	768,321	608,208
Add: Other income	70,234	53,551
Total income	838,555	661,759
Less: Depreciation	315,734	378,586
Interest	104,260	76,865
Net profit*	418,561	206,308

*Subject to provision for minority interest and income taxes.

Working Capital

	1937 $	1936 $
Current assets	2,939,000	2,868,961
Current liabilities	1,307,296	1,550,879
Working capital	1,631,803	1,318,082

$2 Motor Fee

A $2 fee is collected from all motorists entering the Banff and Jasper National Parks of Alberta and the Yoho and Kootenay Parks in British Columbia. The charge is for a "seasonal motor license" but in return the motorist receives camping privileges on established camp grounds in all national parks.

Does Your Prestige Evaporate?

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Smelters Claims Fumes Within Safety Margin

International Commission to Settle $2.2 Millions Argument Over Damage from Sulphur Smoke

From Our Own Correspondent

OTTAWA.—With the sum of $2,200,000 this time at issue, the second international commission which, within the space of the present decade, has sought to appraise the damage done to agricultural and forest growth by sulphur fumes from the plant of the Consolidated Mining and Smelting Co. at Trail, B.C., is holding daily sittings in the Railway Committee Room of the House of Commons and sifting a mass of legal and expert testimony.

Only one point has been decided definitely by the tribunal as yet. That point is that the proceedings, which are on behalf of Washington State farmers who allege that their operations have suffered from the sulphur fumes, are not to be converted into a "fishing expedition" into profits and earnings of the Consolidated Mining and Smelting Company over the past ten years.

United States counsel before the Commission sought to probe Smelters financial standing on the grounds that the point was germane to the investigation, since it was essential that the company's ability to pay any damages which might be assessed should be known. Charles Warren, of Washington, American Commissioner, concurred in the contention. Chief Justice Greenshields of Quebec, who is Canada's representative, differed on the grounds that the function of the Commission was to decide the damages, responsibility for payment of which would rest upon the Dominion of Canada, which would make its own arrangements with the Consolidated Mining and Smelting Co. to collect the money.

Belgian Supports View

With the United States and Canadian commissioners thus split, Jan F. Hastie, noted Belgian jurist who is chairman of the Commission, sided with Mr. Justice Greenshields. An investigation into Smelters financial record was, accordingly, blocked.

On the issue itself as to whether or not the Trail plant has been responsible for damage to trees or agriculture on the United States side of the boundary, Smelters has presented an impressive and an elaborate case. The company claims to have more than fulfilled all the recommendations of the report of the International Joint Commission, which investigated a similar dispute in 1931. At that time, with considerably more than $3,000,000 involved in claims, the International Joint Commission, by unanimous report, assessed the actual damage at $350,000 and advised that the Consolidated Mining and Smelting Co. should go ahead with plans which it had submitted for a fertilizer plant to utilize a large percentage of the sulphur fumes.

Under Safety Minimum

In its evidence before the present commission, Smelters officials have testified that the concern has spent upward of $10,000,000 and that it is in process of spending $2,500,000 additional upon equipment for manufacture of fertilizer and of raw sulphur. The output of sulphur into the atmosphere, it is contended, is approximately 51% of the amount poured out during the five years from 1926 to 1930 inclusive. Whereas the previous investigation indicated the safe emission of sulphur into the atmosphere from the plant could be placed at 6,500 tons per month, the amount now being emitted, the company testifies, is only 4,800 tons per month.

Smelters denies, accordingly, that either agricultural or forest growth has suffered in any respect from its smelting practices since 1932, the year with which the present litigation begins. As confirmation, the company submits the results of independent investigations conducted by outstanding experts of the Federal Government service, notably A. W. McCallum, of the department of agriculture, Dr. Morris Katz of the National Research Council, Dr. Ledingham of the National Research Council, Dr. B. L. Richards, Dr. Raymond J. Pool, Fred Mathews, and others.

The broad contention of the company is that an improvement of more than 51% in conditions over 1931, when damages were assessed at only $350,000, makes it impossible for any injury to have been inflicted; with the exception of "a restricted area in the upper part of the Columbia Valley, near the boundary, within which slight and insignificant markings on the most sensitive types of forest vegetation may have been caused by sulphur dioxide from the Trail Smelter since the first day of January, 1932, and in which there is some evidence that the annual rate of growth of Douglas fir has not completely recovered from conditions which obtained before 1932." In respect to this small section the company contends, however, that "the evidence establishes that even within this restricted area no economic damage has been caused."

The company has been unsuccessful so far in its attempt to bring before the Commission evidence concerning the practices of other smelting companies located within the United States, with a view to establishing how much better than average the situation is at Trail. The Commission has taken the view that this argument is not pertinent to the question of damages.

Sought New Tribunal

The expectation is that the Ottawa hearing of the Commission will last possibly for three weeks, and activities will then be transferred to Washington for perhaps another six weeks. The reason the International Joint Commission is not hearing the claims on the present occasion is the dissatisfaction of the Washington farmers with its decision in 1931, despite the fact that it was a unanimous award. The Washington farmers exerted pressure on the United States Government to secure a new tribunal, and Canada acquiesced.

The action is being conducted as an arbitration between the United States and Canada, with the two countries sharing the cost of the Commission. Canada will be responsible for the payment of the damages awarded and will recover them, in turn, from Smelters if any damages at all are awarded.

Mining Enquiries

McCuaig Red Lake

I should be pleased to have such data as you can furnish on McCuaig Red Lake Gold.

McCuaig Red Lake Gold Mines, controlled and managed by Howey Gold, is developing a group of claims in Dome twp., Red. Lake area, Ontario. A new vein has been traced on surface for 800 ft. at Red Lake property. McCuaig is still very much a prospect and considerable work must be done before its possibilities will be known. Initial work, however, has been encouraging. Technical direction is good.

Hislop Gold Mines

I should be glad to have your comments on the outlook for Hislop Gold Mines, in which I am interested.

Hislop Gold Mines holds a gold prospect of 475 acres in Hislop and Guibord Twps., Timiskaming mining division of Ontario.

Last word from the property was that the shaft had reached its present objective of 150 feet and that drifting had begun along the gold-bearing dyke on which the shaft was sunk. The drift is being driven in the direction of the wide drill intersections that carried encouraging gold values.

Hislop has been carrying on a programme of flat diamond drilling from the 150-foot level, and this is said to have given encouraging results.

The flat holes are being drilled at 25-foot intervals. Hislop is capitalized at five million shares of which approximately two million shares are issued.

We would consider that Hislop is at the present stage of development, definitely speculative.

Century Mining Corp. Reports on Shaft Sinking

From Our Own Correspondent

MONTREAL.—Shaft sinking on the Elbow Lake properties of the Century Mining Corp. has reached a depth of 288 feet and has been timbered to below the second level at 250 feet. A station and a 54-foot crosscut have been completed on the second level, intersecting the Webb and Garbutt veins.

Drifting on both veins has been commenced on the first and second levels with a view of continuing through the ore zone indicated by diamond drilling after which shaft sinking will be resumed.

B. C. Looks for Rise In Price of Antimony

From Our Own Correspondent

VANCOUVER.—Mining men here are discussing the possibilities of higher prices for antimony, 60 per cent of which at present is being produced in China. Several Bridge River properties are known to have considerable antimony in their ore, and other British Columbia mining fields report antimony in greater volume.

During the World War the price of antimony rose to about 35 cents a pound. The present range is 15 to 16 cents. Bottling up of the China supply might bring high enough prices to encourage development of British Columbia's deposits.

Mining Company Charters

Channel Mining Syndicate—Ont. incorp. Aug. 6, 1937. H. O., Toronto. Auth. cap. 35,000 shares, $1 par.

G. L. Mining Co.—Que. incorp. Aug. 5, 1937. H. O., Montreal. Auth. cap. 20,000 shares, $1 par.

Giant Yellowknife Gold Mines—Ont. incorp. Aug. 4, 1937. H. O., Toronto. Auth. cap. 3,000,000 shares, $1 par.

Hilliard Red Lake Mining Syndicate—Ont. incorp. Aug. 5, 1937. H. O., Toronto. Auth. cap. 35,000 shares, $1 par.

Kindale Mines (Quebec) Ltd.—Que. incorp. July 23, 1937. H. O., Montreal. Auth. cap. 20,000 shares, $1 par.

La Mine d'Or Champlain—Que. incorp. July 23, 1937. H. O., Arntfield, Que. Auth. cap. 3,000,000 shares, $1 par.

Lake Godin Gold Mining Syndicate—Ont. incorp. Aug. 12, 1937. H. O., Chatham. Auth. cap. 35,000 shares, $1 par.

Milesim Kirkland Mining Syndicate—Ont. incorp. Aug. 6, 1937. H. O., Toronto. Auth. cap. 35,000 shares, $1 par.

Minelands (Quebec)—Que. incorp. July 23, 1937. H. O., Arntfield, Que. Auth. cap. 20,000 shares, $1 par.

Pend d'Oreille Gold Recovery—B. C. incorp. Aug. 12, 1937. H. O., Trail, B.C. Auth. cap. 20,000 shares, $1 par.

Pennada Mining Syndicate—Ont. incorp. Aug. 4, 1937. H. O., Toronto. Auth. cap. 35,000 shares, $1 par.

Playsafe Mines — Que. incorp. July 23, 1937. H. O., Rouyn, Que. Auth. cap. 100,000 shares, $1 par.

Silvern Mining—B. C. incorp. Aug. 12, 1937. H. O., Vancouver, B.C. Auth. cap. 30,000 pref. shares, $1 par; 70,000 com. shares, $1 par.

Trimble Mines—B. C. incorp. Aug. 14, 1937 H. O., Vancouver, B.C. Auth. cap. 2,000,000 shares, n.p.v.

Val D'Oro Mines—Que. incorp. Aug. 6, 1937. H. O., Val d'Or, Que. Auth. cap. 149,999 shares, $1 par.

Bickley Bay Mining Co.—B. C. incorp. Aug. 2, 1937. H. O. 716 Hall Bldg., 789 Pender St. W., Vancouver, B.C. Auth. cap. 3,000 shares, $10 par; 7,000 com., $10 par.

Bidquebec Mines—Que. incorp. July 20, 1937. H. O. Rouyn. Auth. cap. 145,000 shares, $1 par.

Bigores Mining Syndicate—Ont. incorp. July 30, 1937. H. O. Toronto. Auth. cap. 35,000 shares, $1 par.

Canabec Exploration Co.—Que. incorp. July 2, 1937. H. O. Montreal. Auth. cap. 100,000 shares, $1 par.

Comoharken Lead Mines—B. C. incorp. Aug. 2, 1937. H. O. 800 Hall Bldg., 789 Pender St. W., Vancouver, B.C. Auth. cap. $55,000.

Consolidated Mining & Smelting Co. of Quebec—Que. incorp. July 23, 1937. H. O. Montreal. Auth. cap. 1,000,000 shares, $1 par.

Durbar Mines—Que. incorp. July 6, 1937. H. O. Rouyn. Auth. cap. 20,000 shares, $1 par.

Earlacour Gold Mines—Que. incorp. July 23, 1937. H. O. Rouyn. Auth. cap. 20,000 shares, $1 par.

Misbec Mining Co.—Que. incorp. July 12, 1937. H. O. Amos, Que. Auth. cap. 20,000 shares, $1 par.

Opemilin Mining Co.—Que. incorp. July 14, 1937. H. O. Montreal. Auth. cap. 20,000 shares, $1 par.

Quebec Mica Co.—Que. incorp. July 30, 1937. H. O. Quebec, Que. Auth. cap. 20,000 shares, $1 par.

Sennevar Mines—Que. incorp. July 12, 1937. H. O. Varsan, Que. Auth. cap. 20,000 shares, $1 par.

Surface-Gold Mining Syndicate Ltd.—Ont. incorp. July 27, 1937. H. O. Toronto. Auth. cap. 35,000 shares, $1 par.

White Dove Mining Syndicate Ltd.—Ont. incorp. July 30, 1937. H. O. Toronto. Auth. cap. 35,000 shares, $1 par.

Gurney Sets Oct. 1 For Start of Mill

Underground Work Resumed to Complete Stopes for Millfeed

From Our Own Correspondent

WINNIPEG.—Gurney Gold anticipates starting milling by Oct. 1, according to a report just issued by C. B. Dawson to the directors of the company. All buildings are complete, consisting of new headframe, power-hoist house, assay office, change house, hospital and store. There have been practically no delays in the delivery of equipment and supplies and such delays as did occur were of a minor nature.

The first of three Diesels is en route to the camp and on its installation subsurface work, suspended when fire destroyed the power house early in June will be resumed. This work will be under way the first week in September and will consist of completion of the stopes for mill feed and continuation of exploration on the 625-foot level where widths of quartz up to six feet were opened up just as work was stopped. Mineralization and structural conditions are identical with those of the upper horizons and there is every prospect of opening up new ore.

The company's surface diamond drill, until recently on loan to associated interests has been returned. It is planned to explore actively a number of promising exposures northeast of the subsurface workings. Trenching has exposed one zone of strong quartz and shearing in which very coarse gold was found. On this particular occurrence which is not any possible continuation of the deposits opened by the shaft, sufficient work has not been done to determine its possible importance and the showing will have to be drilled. Three other and parallel shear zones carrying quartz and mineralization and erratic values in gold have been partly traced by trenching but intensive exploration has been delayed in favor of testing by diamond drilling.

Current Chatter From B. C.

From Our Own Correspondent

VANCOUVER. — Development at Minto Mine in the Bridge River district has been changed by Andrew Larson, consulting engineer recently re-engaged to make a survey of the property. Development will proceed from south to north.

B. G. Campbell, formerly of Bralorne Mines, has been appointed superintendent, and he will continue development of Minto at the seventh level. A crosscut of about 150 feet will be driven to get on the north side of the fault to the downway extension of the ore body which extends through to the surface.

• • •

Dufferin to Ship Ore

Shipments of ore from the Dufferin property adjoining the Arlington mine of Relief-Arlington Mines, are expected to begin this month, according to R. J. Davidson, secretary. The company, headed by Andrew Sostad, will undertake development of two groups and recently it acquired equipment formerly owned by Dictator Gold. Installation will commence at once.

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Reeves-MacDonald Progresses

Development at the Reeves-MacDonald property in the Metaline district is at an interesting stage. A crew of 25 under B. N. Murphy is making good progress on the big tunnel, which has now been driven more than 4,800 feet.

• • •

Grange Goes Deeper

Within about two months Grange Consolidated Gold Mines hopes to open up its best known ore sections on a new low level—No. 8, giving 125 feet additional depth below the No. 7. The No. 8 will be about 600 feet from the surface. If the ore shows up satisfactorily the company will proceed with erection of a cyanide mill, according to Managing Director John Bennett.

Spooner Oils Profit

Spooner Oils in the fiscal year ended April 30, 1937, realized profit of $6,738 from sale of ¾% royalty in the Turner Valley Royalties well. Spooner, its statement shows, still holds 4½% royalty in this well. To April 30, revenue from this holding was $12,185, of which $3,046 was written off for recovery of capital. Company reports a loss of $5,614 for the year after allowing $3,626 for depreciation and $2,917 for depletion. Spooner holds one-third interest in Spooner-Model-Reward well, now drilling south of B. & B.

Pato Stock Listed

From Our Own Correspondent

MONTREAL. — Montreal Curb Market has listed 200,000 additional shares of Pato Consolidated Gold Dredging, bringing the outstanding shares to 2.9 millions, with 2.1 million shares remaining in the treasury.

These additional shares were issued at $2.50 in equal lots to Pato Mines Colombia and Placer Development Ltd.

The additional funds are being applied to the completion of the present construction programme.

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JOINS ANGLO-CANADIAN

Ralph Will has joined the staff of Anglo-Canadian Development and Holding Co., of Calgary, as general field superintendent in charge of development and production for Anglo-Canadian and its various affiliates. Mr. Will, in addition to being a practical drilling authority, is a qualified geologist, and was latterly general superintendent for Rocky Mountain Drilling Co.

Hightower Oil Shows Loss in First Report

In a report to shareholders of Hightower Oil & Refining Co. (Canada) Ltd., James A. Watt, president, states that the company is now established in all branches of the oil industry and owns its own refinery, pipe lines and filling stations and is equipped to carry on drilling operations. Extensive development work has been carried on to supplement production from declining wells. Many of the wells now held have been producing for years and have required extensive rehabilitation.

A producing property has recently been purchased and, when this property is paid for, increased earnings are expected.

The auditor states that no provision has been made for depletion on leasehold properties, depreciation of equipment nor for United States or Canadian taxes for the period. Oil and gas leases, producing royalties and interests in oil runs are carried on the balance sheet at $1.9 million. Equipment and fixtures, including refinery and service stations, are shown at $228,333. Total assets are $2.2 millions.

Profit and Loss Account
For period from Sept. 6, 1935, to June 30, 1937

	$
Operating profit	229,518
Less: Preferred dividends	149,804
Common dividends	80,299
Loss for period	*585

*Before provision for depreciation, depletion and taxes.

Working Capital

	$
Current assets	46,115
Current liabilities	11,308
Working capital	34,807

Big Missouri Options Another 10,000 Shares

From Our Own Correspondent

MONTREAL.—Big Missouri Mines Corp. has advised the Montreal Curb Market that an additional 10,000 shares have been taken up at 50 cents a share under the terms of the option agreement. There now remain 975,633 shares under option at 50 cents a share and 4,024,367 shares are now outstanding.

Preston E. Dome Options Shares

Agreement Covers Balance of Treasury Stock at $2

From Our Own Correspondent

MONTREAL.—Preston East Dome Mines has entered into a new option agreement covering the balance of treasury stock. The option covers 240,000 shares at $2 a share, exercisable in whole or in part, on or before Oct. 12, 1937.

Previous option, on which 50,000 shares remain to be taken up at $1.75 a share, has been included with the new option, and the previous optionee is to receive the difference between $1.75 and $2 on the 50,000 shares when the new option on the 240,000 shares has been completed.

The new money, together with the present balance, the company announces, will be used to complete development and erect a 500-ton flotation, cyanide mill unit.

Mining News Concentrates

Cariboo Gold Quartz has declared the regular dividend of 2½ cents per share, payable Oct. 1 to shareholders of record Sept. 10, ex-dividend Sept. 9. This is the eighth quarterly dividend since inception on Jan. 2, 1936.

• • •

Kootenay Belle Gold in Sheep Creek, district, Nelson mining division of British Columbia, estimates net profit for the five months ended July 31, 1937, at $56,252, equal to 7.9 cents per share on the 675,200 shares issued. Bullion produced during the period was valued at $230,255. Development and operating costs amounted to $122,071, depreciation and depletion standing at $38,000 and taxes $16,931.

• • •

Uchi Gold, in Patricia district, advises that the crosscut on the 300-ft. level is 10 ft. into the vein, showing good-looking quartz. Diamond drilling of flat holes on the 125-ft. level has returned encouraging results.

• • •

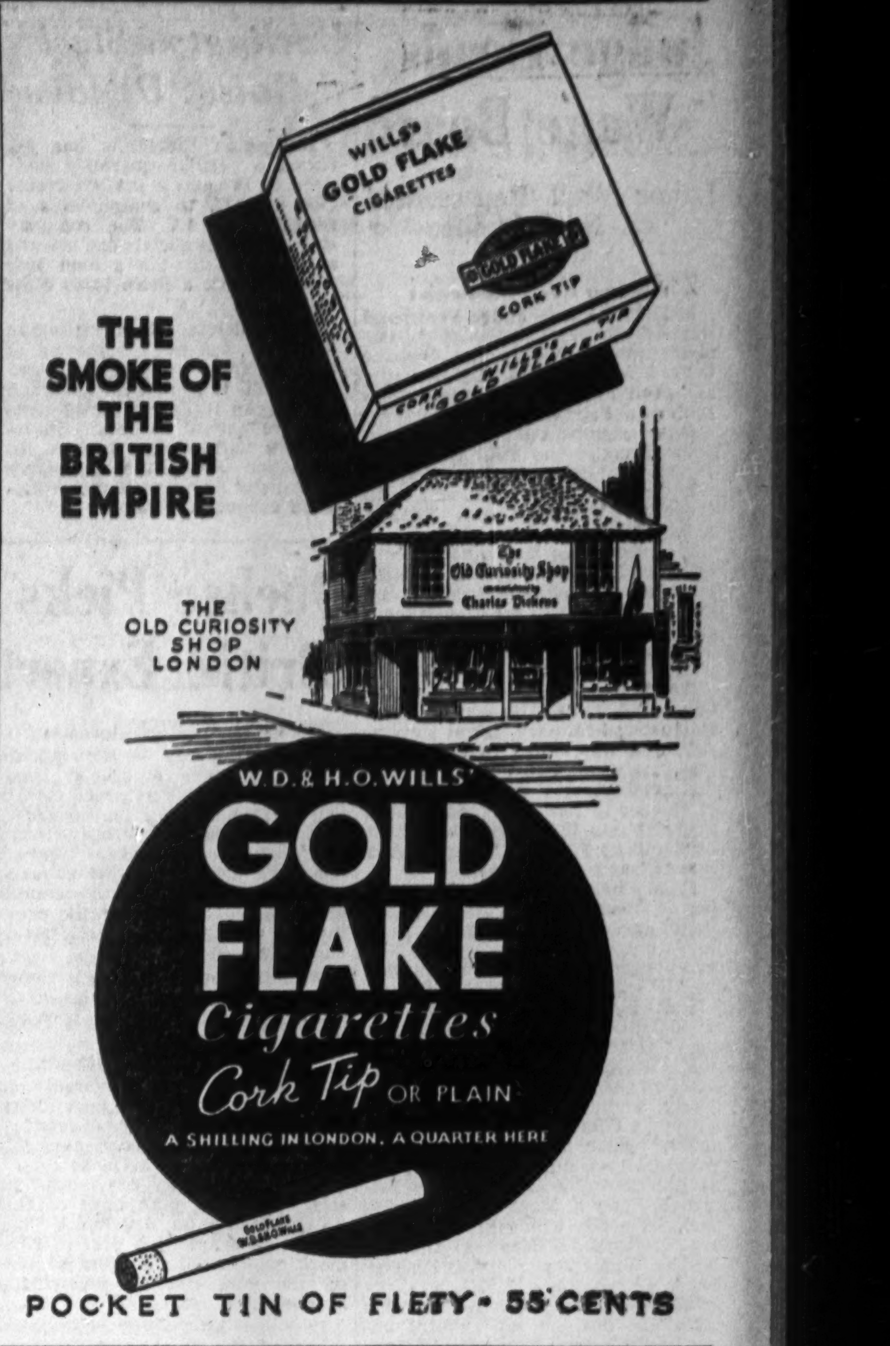
Sheep Creek Gold Mines has declared quarterly dividend No. 6 of two cents per share, and an extra dividend of one cent per share, payable Oct. 15 to shareholders of record Sept. 30.

Canadian, U. S. Institutes Arranging Joint Meeting

"The Place of Mining in Our National Economy" is the title of a paper which R. H. Coats, Dominion Statistician, will deliver before a joint meeting of the American Institute of Mining and Metallurgical Engineers and the Canadian Institute of Mining and Metallurgy, to be held in Vancouver, Sept. 13-20. The programme is in charge of the British Columbia division of the C.I.M.M., and marks the first occasion that the American Institute has held a regional meeting in Canada.

Speakers will include Dr. Charles Camsell, deputy minister of mines and resources, Ottawa, and W. A. Carrothers, chairman of the Economic Council of British Columbia.

Silicosis and its prevention will be discussed before a joint session of the Institutes by recognized Canadian and American authorities. Delegates will visit the Bralorne and Pioneer mines in the Bridge River district, returning to Vancouver, Sept. 20.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Sullivan Cons. Mines To Deepen No. 1 Shaft

From Our Own Correspondent

MONTREAL.—Sullivan Consolidated Mines has notified the Montreal Curb Market that as a result of developments south of No. 1 shaft, it has been decided to sink this shaft an additional 500 ft. with three compartments. When completed, the total vertical depth of the shaft will be 850 ft.

This work, according to the announcement, will not interfere with ordinary mine operations as No. 2 shaft, which has a vertical depth of 550 ft., permits development of the five levels already open, and, at the same time, supplies millfeed.

Options

Partanen Malartic Gold—Aug. 25 installment covering 200,000 shares at 25 cents under agreement Dec. 9, 1936, not taken up; 90-day extension sought.

South End Petroleum—Payment received for balance of Aug. 27 installment, covering $9,900 and an additional $5,100 to apply on the Sept. 27 installment, or a total sum of $15,000 received in payment for 100,000 shares at 15 cents per share, under agreement June 22, 1937. Balance of option, 66,000 shares at 15 cents; 200,000 shares at 20 cents and 200,000 shares at 25 cents. Total issued capital is now 1,286,933 shares.

Powell Rouyn Gold Mines reports underwriting payment due Aug. 25 under agreement July 22, 1937, covering 20,000 shares at $1.25, has been anticipated. This is the final installment. Total issued capital is now 1,182,787 shares.

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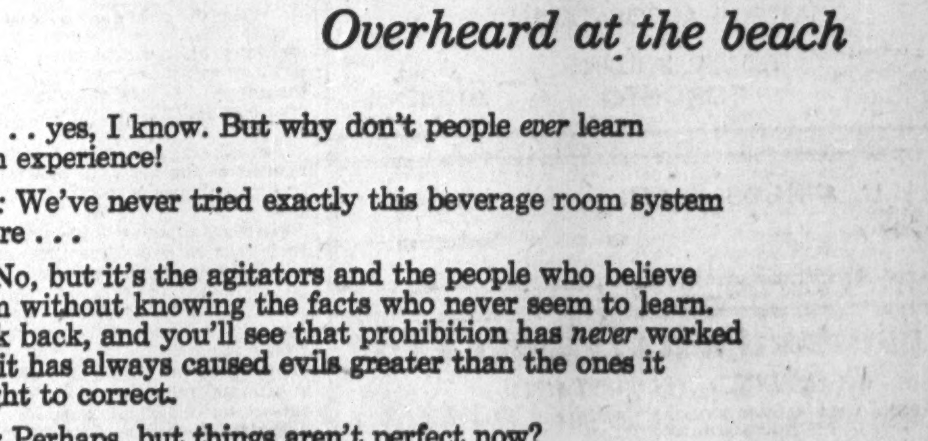

"Look back, but don't turn back!"
Overheard at the beach

Blue suit: . . . yes, I know. But why don't people *ever* learn from experience!

Brown suit: We've never tried exactly this beverage room system before . . .

Blue suit: No, but it's the agitators and the people who believe them without knowing the facts who never seem to learn. Look back, and you'll see that prohibition has *never* worked . . . it has always caused evils greater than the ones it sought to correct.

Brown suit: Perhaps, but things aren't perfect now?

Blue suit: Of *course* there are a few people who go to extremes. But just because of that we don't have to turn right back into the hands of the bootleggers! People are *going* to drink, you know. And the way to get *moderation* is to make the drinking of small quantities of mildly stimulating beverages both *legal* and *public!*

Brown suit: But what about these people who don't know when to stop?

Blue suit: *Laws* won't change these people. But in time education will reduce their number, stop young people growing up in their footsteps. That's why I say: look back at history but don't turn back and make all these mistakes over again. And that's why I say: the Brewing Industry is doing a fine thing in urging true temperance education!

● *This advertisement is inserted by the Brewing Industry in the interest of a better public understanding of certain aspects of the problems of temperance and local option.*

Judge Heads Wage Board

Labor Well Represented on New Quebec Board

From Our Own Correspondent

MONTREAL. — Judge Ferdinand Roy, of Quebec City, chief district magistrate at Quebec and dean of the law faculty of Laval University, has been named chairman of Quebec's new Fair Wage Board.

Other members of the board appointed under the Fair Wage Act, which went into effect on Sept. 1, are: George Cromp, Montreal; C. H. Cheasley, Montreal; and Thomas Aubry, Three Rivers.

In announcing the appointments, Premier Maurice Duplessis pointed out that the legislation setting up the board permits the Government to appoint five members, but only four have been appointed

Personnel of Board

Judge Roy was born at Lorette, Que., Sept. 1, 1873. He was educated at Quebec Seminary, Laval University, and was called to the bar in 1896. He was created K. C. in 1908; batonnier-general of the Province of Quebec in 1920; and chief district magistrate in 1927. He is the author of "Droit de Plaider," "L'Appel Aux Armes," and other books.

C. H. Cheasley, the English member of the commission, is a Montreal importer and manufacturer's agent. A native of Kent, Eng., where he was born in 1898, he came to Montreal in 1909 with his parents and received his education here. He is a graduate of McGill University and for some years was engaged in the advertising business. In the last Federal election he was a Reconstruction Party candidate.

George Cromp is a Montreal labor union leader and during the last provincial election was one of the chief organizers of the Union Nationale Party in Montreal. He graduated from the University of Montreal in 1926 as a licentiate of social and economic and political science. He is 47 years of age. His appointment comes as a promotion from his previous position as general inspector of the former minimum wage commission.

Thomas Aubry, of Three Rivers, is a glove worker and is president of the National Catholic Syndicates in that city.

Burlington Steel Raises Dividend

Burlington Steel Co. has declared a regular quarterly dividend of 15 cents a share, payable Oct. 1, 1937, to shareholders of record Sept. 15. The company states that this declaration marked an increase in the annual rate from 40 cents a share to 60 cents a share.

It is understood that Burlington Steel Co. has been operating at capacity for some time and earnings will undoubtedly show an increase in 1937 over the 39 cents a share earned in 1936. Shareholders will receive further information about the company's operations along with their dividend cheques on October 1.

Quebec Picks British Expert

From Our Own Correspondent

MONTREAL. — Hon. Martin Fisher, Quebec's provincial treasurer, who recently returned from a trip to England and the continent, has announced that he has selected a member of Britain's treasury board to head the royal commission which is to study the economic and financial position of the province of Quebec with special reference to taxation.

Mr. Fisher states that he is unable to announce the name of the expert until the appointment has been approved by the cabinet.

Favors Peat Development

Mr. Fisher reports favorably on his investigation of the peat industry of Denmark which was conducted with a view of developing this substitute for coal in Quebec.

"I am thoroughly convinced," he said, "that the peat bogs of this province can be developed. The system of briquetting peat in Denmark has proved a success, provided the fuel can be successfully marketed."

Last year an English concern approached the Quebec Government with an offer to develop peat bogs in this province and asked for a subsidy. It was to investigate the feasibility of this plan that Mr. Fisher went to Denmark.

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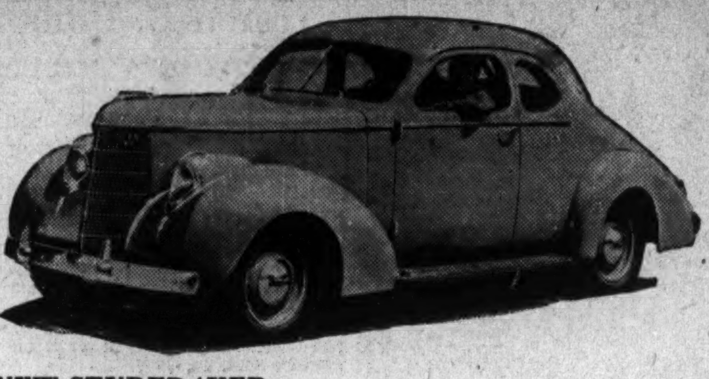

NEW STUDEBAKER

1938 Studebakers are making their bow at the Canadian National Exhibition in Toronto this week. Roominess is the high note of the new models, with larger all steel bodies, more trunk room and clearing the driving compartment floor of brake lever and gearshift. A miniature gear shift lever, five inches long, mounted under the instrument panel, does the work, powered by the manifold vacuum. By turning transmission on side much of the hump in the front floor boards has been eliminated. Pictured above is the Commander Coupe.

World Challenge Seen To Canadian People

(Continued from page 1)

of a high character. If anything eastern Canada should pay a bonus to those who go to live in western Canada in order that they might not find their task too difficult or conditions too strenuous. But for the manufacturers of eastern Canada to make it more difficult for the farmers of western Canada to earn a reasonable competence by making everything they buy much dearer than it should be, by heavy customs duties is clearly both foolish and unjust, and seriously militates against the progress of the entire country.

Western Development

When western Canada has a much larger population than it has today and enjoys a much greater income, the manufacturers of eastern Canada will be greatly benefitted as will everyone else. Therefore what they need to do is to promote the development of the West by every means in their power and more especially by enabling the farmers of the West, who have to sell their produce in the markets of the world at world prices, also to buy their supplies in the markets of the world at world prices. This would not mean that the manufacturers of eastern Canada will sell less to western Canada than hitherto; they will sell more.

In the first place it will cause the manufacturers to produce at world prices, which they are quite capable of doing, and so be able to get their reasonable share of the Canadian trade, and at the same time permit them to sell their goods outside Canada at world prices, and so have, not the limited market that Canada now provides with its 11 millions of inhabitants or the still more limited market of western Canada with its three millions of inhabitants, but to share in the unlimited market of the entire world with its 2,000 millions of persons.

Trade Abroad

In the second place the manufacturers of Canada must recognize that the Canadian people can buy Canadian products only to a limited extent. Thus Canada is today capable of growing wheat crops up to nearly 500 millions of bushels with an average of nearly 400 millions of bushels. But Canada needs for her own consumption only about one-fourth of what she produces and consequently the greater part of the wheat has to be sold abroad.

To the extent that wheat is sold in Canada, the products of Canada must be bought in payment, but to the extent that wheat is sold abroad foreign products must directly or indirectly be received in payment, and if measures are taken to prevent foreign goods being received in payment, then Canada's power to sell her wheat is reduced, the farmers suffer and with them the whole country.

Inasmuch as their bitter experience of recent years has taught the manufacturers, the farmers, the bankers and the statesmen of Canada many things of which they had previously been unaware, it may be hoped that Canada will bring a most useful contribution to the solution of the world's difficulties by opening her new farming districts freely to immigration from the overpopuuated countries of the world and by abandoning her policy of protection, thus making it feasible and profitable to develop the vast food lands of the Canadian North West much more rapidly than hitherto. That the food will be needed if measures are now taken to raise living standards not in a few countries, but in all countries is beyond question. Indeed if statesmen and peoples both of Canada and of other countries appreciate the extraordinary possibilities of the present time, the world's expanding consumption of food and of everything else will necessitate in the early future a very great increase in the world's food supply in general and of Canada's in particular.

Co-operative Effort

The grave difficulties and dangers confronting the nations can be overcome if the people of each country will bring the contribution it is within their power to bring in their own and the general interest. Indeed not only can the danger be overcome, but a new and greater period of prosperity and of peace can be introduced if the peoples of all countries will face the situation with knowledge, courage and confidence.

The political, economic and financial problems are made so dangerous by each nation endeavoring to meet its own difficulties in its own way and failing to realize that by so doing the difficulties are increased and the dangers made greater. Having regard to the lack of mutual understanding, it is not a matter of surprise that the nations attribute their difficulties to other nations and not to themselves, and do not realize that each nation is in some measure responsible for its own misfortunes. Undoubtedly some nations are more responsible than others, nevertheless all must change their policies if great trouble is to be averted.

In some countries the governments are convinced that only by reverting to paganism can they create the physical courage in their people that will enable them to overcome their difficulties by force, and even in those countries where the peoples are still attached to the faiths of their fathers, there is being engendered a spirit of fatalism, which is causing them to seek to solve their problems not by reason and mutual help but by mutual destruction.

What the present situation demands is not so much physical courage, which the peoples possess in superabundance, but moral courage—the courage to stand for what is just and generous and for the common good.

C.P.R. Shows Gain of 20%

Higher Earnings Continue Despite Drop in Grain Movement

From Our Own Correspondent

MONTREAL. — Improvement in earnings of the Canadian Pacific Railway continues, net earnings for the month of July showing an increase of $116,369 or 11.8% to $1,095,461.

Net earnings for the first seven months of the year are $1.5 million or approximately 20% above last year.

Earnings of the C.P.R. in the current year to date have shown considerably less progress than those of the Canadian National. For the month of July, Canadian National earnings were up 998% and for the first seven months 197%. The poorer showing of the C.P.R. is due to the substantial reduction in grain movements on which it depends to a greater extent than does the C.N.R.

Comparative figures of C.P.R. earnings are given below:

Revenue and Expenditures
Month of July

	1937 $	1936 $
Gross earnings	12,041,527	11,577,429
Working expenses ..	10,946,066	10,598,329
Net earnings	1,095,461	979,100
Seven Months Ended July 31		
Gross earnings	78,831,789	73,621,776
Working expenses ..	69,476,174	65,851,676
Net earnings	9,355,615	7,770,100

Calgary, Alta.—The city's street railway system reports a deficit of $12,044 for the seven months ended July 31, 1937, compared with a deficit of $8,164 for the same period of 1936. The month of July showed a surplus of $400 compared with a deficit of $4,225 in July, 1936. License collections increased 3.6% to the end of July, 1937, amounting to $55,847.

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C. N. R. Net Up $5 Millions

Operating Revenue Jumps $1.3 Million in July

From Our Own Correspondent

MONTREAL. — Net revenues of the Canadian National Railways for the month of July show an increase of $871,695 over the same month of last year, bringing the increase for the first seven months of the year to $5,064,604.

Net revenue for July totalled $958,899, compared with $87,204 in July of 1936.

For the seven months, net revenue was $7,626,847, compared with $2,562,243 in the same period of last year.

Comparative figures of operating revenues, expenditures and net revenue follow:

Revenues and Expenditures
Month of July

	1937 $	1936 $	Incr. $
Oper. inc.	16,662,985	15,296,295	1,366,690
Oper. exps.	15,704,086	15,209,091	494,995
Net inc...	958,899	87,204	871,695
Seven Months Ended July 31			
	1937 $	1936 $	Incr. $
Oper. inc.	111,659,299	100,757,723	10,901,576
Oper. exps.	104,032,452	98,195,480	5,836,972
Net inc...	7,626,847	2,562,243	5,064,604

Cons. Paper Opening Mill At Cap de la Madeleine

From Our Own Correspondent

MONTREAL. — Premier Maurice Duplessis has announced that he has received notice from the Consolidated Paper Corp. that it plans to reopen its Cap de la Madeleine mill early next spring. The mill has been shut down for five years. Necessary repairs, it is understood, will be undertaken during the winter months.

The Cap de la Madeleine mill includes four newsprint machines of a rated daily capacity of 263 tons. Reopening of the mill, according to the premier, will mean employment for 400 to 500 men.

Labor Board Policy Avoids Hasty Action

Ontario Body Proceeds Carefully on Industrial Wages

PLAN OF PROCEDURE

"Proceed with caution" is the policy evolved by Ontario's Industry and Labor Board for its present guidance, after three months in office. Precipitate action likely to dislocate industry and business is to be avoided.

Since its appointment late in May, the board has handed down no minimum wage orders, issued no decrees, declared effective no codes agreed upon by employers and workers under the Industrial Standards Act. It has conducted no spectacular open hearings, initiated no witch hunts to smell out the misdeeds which are, in some quarters, associated with virtually all industrial enterprise. It has not even emitted any ominous warnings to industry to "toe the line—or else."

Such failure to make the best of its swashbuckling and headline-catching potentialities cannot be attributed, however, to inaction or disinterest. The board has been quietly but busily engaged, The Financial Post learns, in delving into conditions in a number of industries and laying a foundation of information upon which to base its decisions. Before taking any action, the board intends to assemble all pertinent facts available, to consider them carefully, and to estimate the results of any proposal advanced.

No Extended Surveys

For the time being at least, The Financial Post is informed, lack of time for extended surveys of any particular industry, and absence of a large staff, will preclude exhaustive direct investigations. The board has made and will make direct visits when possible to check conditions and acquire information at the scene of industrial operations, but for the most part information is being derived from submissions by interested employers and spokesmen for employees.

Such informal hearings have not been publicized, though they have not been conducted as closed sessions. It is understood the board has no intention of deliberately staging open hearings of the Roman circus variety. Should the press or public display interest in attending any sessions of the board, it would depend on the nature of the meeting and the wishes of the participants whether they would be open or not.

Textile Enquiry

A similar policy and plan of procedure will likely be adhered to when the board's contemplated minimum wage enquiry into the textile industry is launched. There is no thought of conducting a wide open probe to bolster up any predetermined conclusion, but only to assemble sufficient information to permit setting of wage levels thought to be fair to all concerned. Considerable data is already available from the proceedings of the Turgeon textile enquiry.

It has not yet been decided whether the board will attempt to set absolute minimum wages by zones for textile workers as a whole, or establish minima for various classifications of workers. The board has power to do either or both. It is believed that the industry would oppose the latter alternative, on the ground that the minima set for the various classes of skilled and semi-skilled workers would tend to become the maxima. It is argued that a zoned absolute minimum would establish needed protection for the lower paid unskilled workers, but leave higher pay levels free to be increased when possible.

Application of Rates

Any minimum wages set will cover the industry as a whole in Ontario, and will not apply to specific plants. The agreements which settled the strikes at the Cornwall plants of Canadian Cottons Ltd. and the Peterborough mills of Dominion Woollens & Worsteds Ltd. did not call for setting of minimum wages at those plants alone, but for conformity by these companies with whatever rates were established for the industry by the board.

The chief factors to be considered in the textile study will be the cost of living, the value of the services rendered by workers, and the ability of the industry to pay such minimum rates as are suggested.

In the opinion of E. J. Young, chairman of the board, the core of the problem in regard to the textile and any other industry is to determine as accurately as possible "what the industry is able to pay its employees and still keep them employed." In Mr. Young's view:

"It is dangerous to contemplate setting minimum wages without carefully estimating the results in advance. If the level ordered is too low, labor will be dissatisfied and leave an undesirable condition. If it is too high, it might bring dislocation of the industry affected and result in unemployment among those we are trying to benefit."

Long-term View

The board regards its functions as one of betterment of industrial conditions from the long-term viewpoint, and as a preventive of trouble through an evolutionary process. It plans to take each industry separately as quickly as time will permit, and eventually to extend its codes and orders to cover industry as a whole.

This will take time, and imminence or eruption of trouble may require special attention of the board to particular industries, but the board does not plan to wait for trouble to crop up before acting.

The board has found that pressure from most industries is for industrial codes agreed upon by employers and workers, rather than for minimum wage orders by the board. But adverse rulings on codes covering the building trades has put the validity of all codes in question, and for the time being enforcement of most of them is not being attempted.

Evolve New Codes

The board has done considerable work in an effort to evolve new codes whose validity would be unquestioned and which would be satisfactory to the industries concerned; or to draft new legislation putting the codes on a court-proof basis. So far, little progress has been made in this direction.

As to minimum wage orders, representations have been heard and preliminary investigations made in regard to workers in the lumbering, retail merchandising, hotel, and milk distribution industries. The board was on the verge of issuing a minimum wage order for the lumbering industry but withheld it in response to the appeal of both employers, and employees, spokesmenn in the industry. Subsequently the employers advanced wage scales voluntarily, though not to the extent contemplated by the board.

Decisions have not been reached in regard to hotel, retail and milk distribution workers, and difficulty is being encountered in assembling full information, particularly as to the viewpoint and desires of employees.

Victoria Changes Policy Toward Sinking Fund

From Our Own Correspondent

VANCOUVER.—The City of Victoria has decided on a new policy for the disposal of its bonds. Sinking fund securities will in future be entrusted to a special fiscal agent. Formerly the city council has followed the practice of calling for tenders for bonds it wished to sell. Under the new plan, C. S. Henley, fiscal agent, will interview dealers, secure quotations from at least three and look after the sale.

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